

# **MANAGEMENT PRACTICES FOR SUSTAINABLE FUTURE**

**Dr. M. GANESH BABU**

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**Mob: + 91 9840020110**

**E-mail: archerselevators@gmail.com**

**Website: www.aeph.in**

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S.NO	TITLE	PAGE NO
1.	<b>Cost Management and Performance Analysis of Automobile Companies In India</b> <sup>1</sup> MR. Harish V B, <sup>2</sup> Dr. Sadyojathappa S	1
2.	<b>Role of SEZS In Socio-Economic Development Of The Country-With Special Reference To Aequz Belagavi</b> 1Murugesh H.M, 2Prof.S.B Akash	11
3.	<b>Adoption of Digital Transaction: A Pathway to Corruption Free Country</b> <sup>1</sup> Mr. Hemanth Kumar K P, <sup>2</sup> Dr. Shashidhar R, <sup>3</sup> Prof. Paramashivaiah P	19
4.	<b>Financial Inclusion and Agriculture Sector - An Overview</b> <sup>1</sup> Dr. G.L Parvathamma, <sup>2</sup> Nagma.N	23
5.	<b>Performance of F&amp;O Derivative Instruments in Indian Stock Market: With Special Reference to NSE</b> <sup>1</sup> Dr. Manjunath K.R., <sup>2</sup> Thippeswamy. C. B.	34
6.	<b>Atmanirbharta in Pedagogy: An Experience of Building Regional Cases</b> <sup>1</sup> Prof Ramakant Kulkarni, <sup>2</sup> Prof Bharati Badiger	47
7.	<b>Corporate Governance and CSR: Issues in Corporate Goverance</b> <sup>1</sup> Mr. Bharath . S	56
8.	<b>Atma Nirbhar Bharat's Support for Rural Women's Entrepreneurship</b> <sup>1</sup> Ms. Shweta L Badiger, <sup>2</sup> Prof. D M Madari	60
9.	<b>Leadership &amp; Change Management</b> <sup>1</sup> HaiderAli M, <sup>2</sup> Dr. Ashok Kumar V. Paled	65

10.	<b>A Conceptual Study on the Impact of Human Relations on Employee Productivity</b> Dr.V.Purendra Prasad	69
11.	<b>Smart HR: The Impact of Artificial Intelligence</b> <sup>1</sup> Dr. Prashantha Kumar O, <sup>2</sup> Dr. J K Raju	74
12.	<b>Work from Home: Managerial Roles and Challenges in the Digital Supply Chain</b> <sup>1</sup> Dr. Basavaraj S Kudachimath, <sup>2</sup> Miss. Vani Dilipkumar Bhajantri	80
13.	<b>The Adaptability Challenges of HR Analytics</b> <sup>1</sup> Pushpalatha.S.Patil, <sup>2</sup> Noor Afza6	88
14.	<b>A Study on Evaluation of Marketing Strategies &amp; Consumer Satisfaction towards Lakme Cosmetic Products with Special Reference to Chitraduga</b> Dr. Leelavathi. K.	94
15.	<b>Sustainability of Edwards Compulsive buying Scale:Application of Factor Analysis</b> Dr. Gireesh Y M, Mr Sriharsha V J, Mr Raghu H O	104
16.	<b>Green Finance for A Resilient Future: Paving the Way to Sustainability</b> Dr. Periasamy P, Dr. Dinesh.N	113

# **COST MANAGEMENT AND PERFORMANCE ANALYSIS OF AUTOMOBILE COMPANIES IN INDIA**

**<sup>1</sup>Mr. HARISH V B,<sup>2</sup> Dr. SADYOJATHAPPA S**

<sup>1</sup>Research scholar, <sup>2</sup>Associate Professor

<sup>1,2</sup> Vijayanagara Sri Krishnadevaraya University, Ballari Karnataka.

Mail id: harishvb59@gmail.com

**Abstract:** *Cost accountant are assigned to prepare and dispense financial accounting reports for outside users at end of each a financial period. However, there are no similar statutory requirements for cost accountants to provide directors of their companies with the management accounting data required for decision making in their business procedures. Cost accounting is a significant part of management accounting. Product costing has always been a much-debated subject in management accounting. Traditional absorption costing is appealed to be resultant in a biased distribution of overhead costs to products. New methods such as the Activity Based Costing (ABC) did not accept widespread adoption. It is being appreciated in management accounting field that an evolving costing method identified as Resource Consumption Accounting (RCA) is an improved method for product costing. This paper describes the Indian cost accounting method and also compares the performance analysis with the cost accounting specifically in the selected automobile manufacturing industry for the period of five years 2018-2022.*

**Keywords:** Cost Accounting, Strategic Cost Management, Financial Ratios.

## **Introduction:**

Cost management method used by automakers must be useful for the production of new products which meets the customer's demand at lowest cost as well as an aid to cost reduction of existing product by eliminating wastes. To achieve this, automakers need the total cost management system which includes target costing. Environmental changes in automotive industry for example: the shortening of product life cycle, diversification of customer's demands and highly competition in automotive industry are inevitable. With such changes, cost management method used, must be useful for production of new products which meets customer's demands at lowest cost. On account of this, automakers have come to need total cost management which includes product development and design activities as well as product activities. This contrasts with traditional cost management which focused on cost control in the production stage. In fact, the most of the costs in the production stage are determined in the stage of new product development and design indicated the need for total cost management. Target costing is an activity which is aimed at reducing the life-cycle costs of new products, while ensuring quality and customer requirements, and by examine all possible ideas for cost reduction at the product planning, research and development, and the prototyping phases of production. Target costing is an important tool because it promotes cost consciousness and focuses on profit margin, both of which strengthen an organization's competitive position.

The Indian automobile industry has witnessed significant growth and development in recent years, making it one of the most important sectors in the Indian economy. With the rise in competition and globalization, automobile companies are constantly striving to improve their cost management practices and enhance their overall performance. This has led to the need for in-depth analysis of the cost management practices and performance of the automobile companies in India.

In this article, we will delve into the various cost management techniques used by automobile companies in India and analyse their impact on the company's performance. We will also examine the factors that affect the performance of automobile companies and the challenges faced by them in the Indian market. Finally, we will provide recommendations to improve the cost management practices and performance of automobile companies in India.

Cost management is an essential aspect of any business, including the Indian automobile industry. Indian automobile companies have implemented various cost management strategies to maintain their profitability and competitiveness. Here are some of the cost management practices that Indian automobile companies have adopted.

**1. Lean manufacturing:** Lean manufacturing is a cost management strategy that focuses on minimizing waste and maximizing efficiency in production processes. Indian automobile companies have implemented lean manufacturing techniques to reduce their operational costs.

**2. Supplier management:** Effective supplier management is essential to reduce the cost of materials and components. Indian automobile companies have implemented supplier management strategies such as vendor consolidation and strategic sourcing to reduce their procurement costs.

**3. Product design:** Indian automobile companies have adopted product design practices that focus on reducing the cost of production while maintaining quality. They use value engineering techniques to design products that meet customer needs while minimizing production costs.

**4. Localization:** Localization is the process of sourcing materials and components from local suppliers to reduce logistics costs. Indian automobile companies have increased their localization efforts to reduce the cost of imports and improve their supply chain efficiency.

**5. Cost optimization:** Indian automobile companies have implemented cost optimization techniques to reduce costs across all functional areas of the business. They use tools such as activity-based costing to identify cost drivers and optimize their operations.

Strategic cost management is a critical aspect of the automobile industry in India, where companies are continually striving to remain competitive in a dynamic and rapidly evolving market. In this context, effective cost management strategies can enable companies to maintain profitability while offering high-quality products to customers. In conclusion, cost management is a crucial aspect of the Indian automobile industry, and companies have implemented various strategies to reduce their costs and improve their competitiveness.

#### **Literature Reviews:**

**Helms, et.al (2005)** they conduct study on “Managerial Implications of Target Costing” the researcher found that the target costing to be additional time concentrated than the historical methods of cost-based pricing, but producers can be secure charges will be in line with buyer expectations. Time was also created to be desired to bring all costs during the supply chain to satisfactory levels.

**Zengin et.al (2009)** conducted study on the title of “Cost management through product design: target costing approach” the authors finds that the role of target costing to accomplish the cost of goods while product development in small and medium innovativeness.

**Jacomit et.al (2011)** the authors conducted research on “An Investigation into the Adoption of Target Costing on Brazilian Public Social Housing Projects” the researchers found that more effective ways of developed products in building & target costing could be more fruitful in a social housing project (SHP) context. Though, the target costing framework and proposals about the relationship between target costing and SHP appearances can be widespread to other construction products since they hold one or more of those appearances.

**Yazdifar, H et. al (2011)** the author conduct research on “A comparative study of the adoption and implementation of target costing in the UK, Australia, and New Zealand” the authors try to finds Target costing is widespread in both the manufacturing and service sectors equally. But its application significantly differs between the sectors. Organizations are taking tactics to decrease costs during development stage instead of manufacture stage. Firms also include value engineering in order to fulfil the customer needs.

**Sani, A. A. et.al (2012)** they conducted study on “Target and Kaizen Costing” the study reveals on there are diverse categories of options for the administrators to use like ABC, target costing, kaizen costing, throughput costing etc. But target costing is existence designated as the best system to take full advantage of the profit. This is the best way to imprisonment the market competently and get the greatest profit margin.

**Huang, et.al (2012)** they conducted research on “Target Costing, Business Model Innovation and Firm Performance: An Empirical Analysis of Chinese Firms” they emphasised on using target costing was absolutely interrelated with the firm performance and business model revolutions.

**Jayeola et.al (2014)** they undertook research on “Implementing Target Costing in Small and Medium Scale Enterprises in Ogun Industrial Metropolis” the study concludes that there was a statistically significant association among target costing technique and yearly turnover in Ogun industrial metropolis and also among profitability of small and medium scale industries’ in the Metropolis.

### **Objective of the study:**

The following are the main objectives of study

1. To study the different cost management techniques that are used by selected Indian automobile companies.
2. To evaluate cost accounting systems, a comparison of several financial ratios of select Indian automobile companies was conducted during the study period.

### **Hypothesis of the study:**

**H<sub>0</sub>:** There is no significant difference between financial ratios of select Indian automobile companies.

**H<sub>1</sub>:** There is a significant difference between financial ratios of select Indian automobile companies

## **Research Methodology and Data Analysis:**

The primary goal of this study is to different costing management technique which are adopted by the Indian automobile companies. The study also examines the performance of automobile manufacturers in India by using different financial ratios of selected sample units.

### **Sample of the study**

The convenience sample was used to select the sample of businesses, some of which include:

1. Ashok Leyland Limited;
2. Bajaj Auto Limited;
3. Mahindra & Mahindra Limited;
4. Maruti Suzuki India Limited;
5. Hero MotoCorp Limited;

### **Data Sources**

The research sample is made up of cross-sectional data from five chosen automobile companies in India. Financial reports from the chosen companies were used as a convenient sample source for this research and collected financial ratios throughout a ten-year period. On the basis of information that has been gathered and processed, examined, and analyzed, inferences are made. In order to generate results and assess potential structural changes, the research covers the most recent ten years of facts for each and every variable for each and every selected organization.

### **Research Methodology**

The study adopted descriptive statistics, Anova statistical techniques to scrutinize the automobile companies' data. The researcher examines hypothesis to test there is a significant difference in the financial ratios of select Indian automobile companies.

### **Analysis of Data:**

Data were collected for ten years, 2018 through 2022 for all the four companies in the study. Comparison of the select Indian automobile cost accounting systems was conducted by comparing several financial ratios of the companies in the study. The financial ratios computed and compared are:

1. Earnings per Share (EPS)
2. Return on Assets (%)
3. Operating Profit ratio
4. Debt/Equity (D/E)
5. Inventory Turnover Ratio
6. Return on Capital Employed
7. Asset Turnover Ratio (%)
8. EV/Net Operating Revenue
9. Dividend Pay-out Ratio (NP)



## **Cost Management Techniques are Used by Indian Automobile Companies:**

There are various cost management techniques used by Indian automobile companies to manage their costs and competitive and profitable in the market. Some of the commonly used techniques are:

### **1. Lean Manufacturing:**

Lean Manufacturing is a popular cost management technique used by Indian automobile companies to reduce waste and increase efficiency in the production process. This technique involves identifying and eliminating non-value-added activities, reducing inventory, and optimizing the production flow. Indian automobile companies like Maruti Suzuki, Tata Motors, and Mahindra & Mahindra have adopted lean manufacturing to reduce production costs and improve quality.

### **2. Value Engineering:**

Value Engineering is a systematic approach used by Indian automobile companies to reduce costs while maintaining or improving product quality. This technique involves analysing the function of a product and identifying ways to reduce costs without compromising its performance. Value engineering is a process of analysing and improving the value of a product or service by considering its functions, materials, and cost. Indian automobile companies like Bajaj Auto and Hero MotoCorp use value engineering to reduce costs and improve the value of their products.

### **3. Just-in-Time (JIT):**

JIT is a popular cost management technique used by Indian automobile companies to reduce inventory costs and increase efficiency. This technique involves ordering raw materials and parts just in time for production, reducing the need for large inventory holdings. JIT is a production strategy that focuses on producing goods just in time to meet customer demand. Indian automobile companies like Toyota Kirloskar Motors and Honda Cars India use JIT to reduce inventory costs and improve efficiency.

### **4. Total Quality Management (TQM):**

TQM is a comprehensive approach used by Indian automobile companies to improve the quality of their products and processes while reducing costs. This technique involves involving all employees in the quality improvement process, establishing quality standards, and continuously monitoring and improving the process. TQM is a management approach that aims to improve the quality of a product or service by involving all employees in the process. Indian automobile companies like Tata Motors and Ashok Leyland use TQM to reduce defects, improve customer satisfaction, and reduce costs.

### **5. Supply Chain Management (SCM):**

SCM is a process of managing the flow of goods and services from the raw materials stage to the final delivery to the customer. Indian automobile companies like Mahindra & Mahindra and Hero MotoCorp use SCM to optimize their supply chain, reduce costs, and improve customer satisfaction.

These are some of the cost management techniques used by Indian automobile companies. Each company may use a combination of these techniques, along with others, to manage their costs and improve their profitability.

## Analysis of Data:

**Table 1: Summary of Statistics**

	Min	Max	Mean		St. Deviation	Variance	skewness
	Indicator	Indicator	Indicator	Std. Error	Indicator	Indicator	Indicator
Earnings per Share (EPS)	-1.07	255.62	100.70	10.73	75.86	5754.47	0.13
Return on Assets (%)	-1.7	25.38	12.16	1.01	7.12	50.69	-0.01
Operating Profit ratio	2.34	25.93	15.26	0.75	5.34	28.48	-0.12
Debt/Equity (D/E)	0	1.19	0.13	0.04	0.26	0.07	2.87
Inventory Turnover Ratio	0.05	43.43	19.93	1.62	11.45	131.21	0.11
Return on Capital Employed	0.35	44	20.41	1.54	10.87	118.07	0.39
Asset Turnover Ratio (%)	0.88	262.17	118.31	9.33	65.96	4351.38	-0.19
EV/Net Operating Revenue	0.72	3.81	1.99	0.11	0.78	0.60	0.48
Dividend Pay-out Ratio (NP)	0	530.32	47.63	10.50	74.28	5517.61	5.81
N (Total)	50	50	50	50	50	50	50

Source: compiled by author from secondary data

Table 1 indicates that the mean EPS of 100.70, with a minimum of -1.07 and a maximum of 255.62. The standard deviation of EPS is 10.73, indicating that the data points are relatively close to the mean. ROA of 12.16%, with a minimum of -1.7% and a maximum of 25.38%. The standard deviation of ROA is 1.01%, indicating a relatively low variability in the data. Operating profit ratio of 15.26%, with a minimum of 2.34% and a maximum of 25.93%. The standard deviation of the ratio is 0.75, indicating that the data points are relatively close to the mean. D/E ratio of 0.13, with a minimum of 0 and a maximum of 1.19. The standard deviation of D/E is 0.04, indicating that the data points are relatively close to the mean. The mean inventory turnover ratio of 19.93, with a minimum of 0.05 and a maximum of 43.43. The standard deviation of the ratio is 1.62, indicating a relatively high variability in the data. ROCE of 20.41%, with a minimum of 0.35% and a maximum of 44%. The standard deviation of ROCE is 1.54%, indicating a relatively low variability in the data. The mean asset turnover ratio of 118.31%, with a minimum of 0.88% and a maximum of 262.17%. The standard deviation of the ratio is 9.33%, indicating a relatively high variability in the data. The mean EV/Net Operating Revenue ratio of 1.99, with a minimum of 0.72 and a maximum of 3.81. The standard deviation of the ratio is 0.11, indicating that the data are relatively close to the mean.

**Testing of hypothesis:**

**H<sub>0</sub>:** There is no significant difference between financial ratios of select Indian automobile companies.

**H<sub>1</sub>:** There is a significant difference between financial ratios of select Indian automobile companies.

The second objective can be proved by testing applying Anova technique.

**Table 2: ANOVA For EPS**

Source of Variation	SS	D f	MS	F	P-value	F crit
Between Groups	222764.33	4	55691.08	42.33	1.05223E-	2.58
Within Groups	59204.93	45	1315.67			
Total	281969.26	49				

Source: compiled by author from secondary data

The P-value for the F-statistic is very small (less than 0.001), indicating that the result is statistically significant. The critical F-value at the 0.05 level of significance and with 4 and 45 degrees of freedom is 2.58, which is larger than the obtained F-value 42.33. This suggests that there is a significant difference between the means of the different groups for the variable EPS. Therefore, we can reject the null hypothesis that the means of the groups are equal.

**Table 3: ANOVA For Return on Assets**

Source of Variation	SS	D f	MS	F	P-value	F crit
Between Groups	1862.37	4	465.60	33.73	5.15219E-13	2.58
Within Groups	621.32	45	13.81			
Total	2483.6	49				

Source: compiled by author from secondary data

The P-value for the F-statistic is very small (less than 0.001), indicating that the result is statistically significant. The critical F-value at the 0.05 level of significance and with 4 and 45 degrees of freedom is 2.58, which is larger than the obtained F-value 33.73. This suggests that there is a significant difference between the means of the different groups for the variable Return on Assets. Therefore, we can reject the null hypothesis that the means of the groups are equal.

**Table 4: ANOVA For Operating Profit ratio**

Source of Variation	SS	D f	MS	F	P-value	F crit
Between Groups	1105.78	4	276.45	42.93	8.21481E-15	2.58
Within Groups	289.78	45	6.44			
Total	1395.56	49				

Source: compiled by author from secondary data

The P-value for the F-statistic is very small (less than 0.001), indicating that the result is statistically significant. The critical F-value at the 0.05 level of significance and with 4 and 45 degrees of freedom is 2.58, which is larger than the obtained F-value 42.93. This suggests that there is a significant difference between the means of the different groups for the variable Operating Profit ratio. Therefore, we can reject the null hypothesis that the means of the groups are equal.

**Table 5: ANOVA For Debt/Equity (D/E)**

Source of Variation	SS	D f	MS	F	P-value	F crit
Between Groups	1.86	4	0.46	14.96	7.57136E-08	2.58
Within Groups	1.40	45	0.04			
Total	3.25	49				

Source: compiled by author from secondary data

The P-value for the F-statistic is very small (less than 0.001), indicating that the result is statistically significant. The critical F-value at the 0.05 level of significance and with 4 and 45 degrees of freedom is 2.58, which is larger than the obtained F-value 14.96. This suggests that there is a significant difference between the means of the different groups for the variable Debt/Equity (D/E). Therefore, we can reject the null hypothesis that the means of the groups are equal.

**Table 6: ANOVA For Inventory Turnover Ratio**

Source of Variation	SS	D f	MS	F	P-value	F crit
Between Groups	4775.46	4	1193.86	32.47	9.58737E-13	2.58
Within Groups	1654.08	45	36.76			
Total	6429.54	49				

Source: compiled by author from secondary data

The P-value for the F-statistic is very small (less than 0.001), indicating that the result is statistically significant. The critical F-value at the 0.05 level of significance and with 4 and 45 degrees of freedom is 2.58, which is larger than the obtained F-value 32.47. This suggests that there is a significant difference between the means of the different groups for the variable Inventory Turnover Ratio. Therefore, we can reject the null hypothesis that the means of the groups are equal.

**Table 7: ANOVA for Return on Capital Employed**

Source of Variation	SS	D f	MS	F	P-value	F crit
Between Groups	4447.46	4	1111.86	37.41	8.98989E-14	2.58
Within Groups	1337.78	45	29.72			
Total	5785.24	49				

Source: compiled by author from secondary data

The P-value for the F-statistic is very small (less than 0.001), indicating that the result is statistically significant. The critical F-value at the 0.05 level of significance and with 4 and 45 degrees of freedom is 2.58, which is larger than the obtained F-value 37.41. This suggests that there is a significant difference between the means of the different groups for the variable Return on Capital Employed. Therefore, we can reject the null hypothesis that the means of the groups are equal.

**Table 8: ANOVA for Asset Turnover Ratio (%)**

Source of Variation	SS	D f	MS	F	P-value	F crit
Between Groups	64393.11	4	16098.28	4.87	0.002390434	2.58
Within Groups	148824.33	45	3307.21			
Total	213217.4	49				

Source: compiled by author from secondary data

The P-value for the F-statistic is very small (less than 0.001), indicating that the result is statistically significant. The critical F-value at the 0.05 level of significance and with 4 and 45 degrees of freedom is 2.58, which is larger than the obtained F-value 4.87. This suggests that there is a significant difference between the means of the different groups for the variable Asset Turnover Ratio. Therefore, we can reject the null hypothesis that the means of the groups are equal.

**Table 9: ANOVA For EV/Net Operating Revenue**

Source of Variation	SS	D f	MS	F	P-value	F crit
Between Groups	17.13	4	4.28	15.55	4.65082E-08	2.58
Within Groups	12.39	45	0.26			
Total	29.52	49				

Source: compiled by author from secondary data

The P-value for the F-statistic is very small (less than 0.001), indicating that the result is statistically significant. The critical F-value at the 0.05 level of significance and with 4 and 45 degrees of freedom is 2.58, which is larger than the obtained F-value 15.55. This suggests that there is a significant difference between the means of the different groups for the variable EV/Net Operating Revenue. Therefore, we can reject the null hypothesis that the means of the groups are equal.

**Table 10: ANOVA For Dividend Pay-out Ratio (NP)**

Source of Variation	SS	D f	MS	F	P-value	F crit
Between Groups	17190.74	4	4297.68	0.76	0.5543	2.58
Within Groups	253172.06	45	5626.04			
Total	270362.8	49				

Source: compiled by author from secondary data

The P-value for the F-statistic is very small (more than 0.001), indicating that the result is statistically not significant. The critical F-value at the 0.05 level of significance and with 4 and 45 degrees of freedom is 2.58, which is lesser than the obtained F-value 0.76. This suggests that there is no significant difference between the means of the different groups for the variable Dividend Pay-out Ratio (NP). Therefore, we can accept the null hypothesis that the means of the groups are equal.

### **Conclusion:**

The cost management is most important technique which provides and controls the cost. The present study is conducted to analysis the different cost management tools which are adopted by the Indian automobile companies. The study also analysis the performance of selected automobile companies by the different ratios of Earnings per Share (EPS), Return on Assets (%), Operating Profit ratio, Debt/Equity (D/E), Inventory Turnover Ratio, Return on Capital Employed, Asset Turnover Ratio (%), EV/Net Operating Revenue, Dividend Pay-out Ratio (NP). Finally, hypothesis is tested by using Anova and null hypothesis is rejected all ratios except Dividend Pay-out Ratio.

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# **ROLE OF SEZs IN SOCIO-ECONOMIC DEVELOPMENT OF THE COUNTRY- WITH SPECIAL REFERENCE TO AEQUZ BELAGAVI**

**<sup>1</sup>Murugesh H.M, <sup>2</sup>Prof.S.B Akash**

<sup>1</sup>Research Scholar, <sup>2</sup>Professor

<sup>1,2</sup>DOS in Commerce Rani Channamma University, Belagavi,

<sup>1</sup>murugeshhm@yahoo.com

**Abstract:** *Special economic zones (SEZs) are being emphasised by an increasing number of nations as a tactical tool for fostering increased foreign direct investment (FDI), technology transfers, and job creation. Nonetheless, this programme has yielded varying results for emerging nations. The socio-economic effects of SEZs in the AEQUZ of belagavi are thoroughly examined in the current paper. The preliminary objective of this paper is to study and evaluate the contribution of SEZs in terms of imports, exports, investment, and employment the study conducted with the help of only secondary data that has been published in the concerned websites. Further the challenges faced by the SEZs over the period is nearly covered in this article, including the economic justification for them, their effects on employment, trade, foreign exchange earnings, government revenue, and social issues and human development.*

## **Introduction**

SEZs are considered as major contributors to the developing and many industrialized economies in the world, which are geographically defined areas where governments promote industrial activity through fiscal and regulatory incentives and infrastructure support. Although many zones continue to perform below expectations, failing to draw sizable investment or to have an economic influence outside of their borders, new zones are still being created as governments fight more fiercely for globally mobile industrial activity. In addition to the standard obstacles to SEZ success that include the need for an adequate strategic focus, regulatory and governance frameworks, and investment promotion tools, policymakers also face fresh obstacles posed by the need for sustainable development, the fourth industrial revolution, and shifting patterns of global production. SEZs have numerous names and exist in a wide range of shapes and sizes. They are similar in that they offer a different regulatory environment for firms and investors inside a set boundary than what is often the case in the local or regional economy where they are founded.

## **Concept of SEZs**

A special economic zone (SEZ) is a region where trade and business regulations differ from those in the rest of the nation. SEZs are designated areas within a nation's borders with the objectives of improving trade balance, employment, attracting more investment, creating jobs, and having efficient administration. Financial measures are put in place to entice enterprises to locate in the zone. Investing, taxation, commerce, quotas, customs, and labour laws are frequently covered under these policies. Companies may also be given tax holidays, which entitle them to a period of reduced taxation after locating in a zone.

The host nation's construction of special economic zones might be driven by a desire to draw in foreign direct investment (FDI). A company may be able to produce and trade items at a lower price as a result of the advantages of being in a special economic zone, helping it to be more globally competitive. The zones in some nations have come under fire for being little more than labour camps where workers are denied basic labour rights.

## **Definition**

The term "Special Economic Zone" refers to a region that has been designated as a duty-free enclave and is recognized as a foreign territory for a number of reasons, including tariffs, trade operations, and duties.

According to Wei Ge, special economic zones are "described in general terms as a geographic area within the territory of a country where economic activity of particular types are fostered by a collection of policy instruments that are not usually available to the other countries.

## **Literature Review**

**1. Sinha Shalini (2008)**, author makes an effort to examine the employment issue particularly in relation to women workers. SEZs are promoted as engines of economic growth that can increase manufacturing and create jobs, but it is important to carefully consider the type of employment created and the working conditions. In the Cochin Special Economic Zone (CSEZ), women make up about 60% of the workforce. Workers often work longer than the required eight hours without receiving additional pay because they are paid as little as Rs 35 to Rs 75 per day. There is frequently no organisation, representation, or voice for women workers.

**2. Tantri Malini (2010)**, the import intensity of exports from seven conventional SEZs between 1986–1987 and 2007–2008 is examined in this article. The increased import intensity of SEZ exports is primarily caused by changes in the sectoral composition of exports, particularly after the new policy was announced in 2000–2001. Therefore, in order to prevent the reallocation of investment from domestic trade areas to the SEZs, the government must be cautious in promoting SEZs under various sectors and redefine the current fiscal incentives.

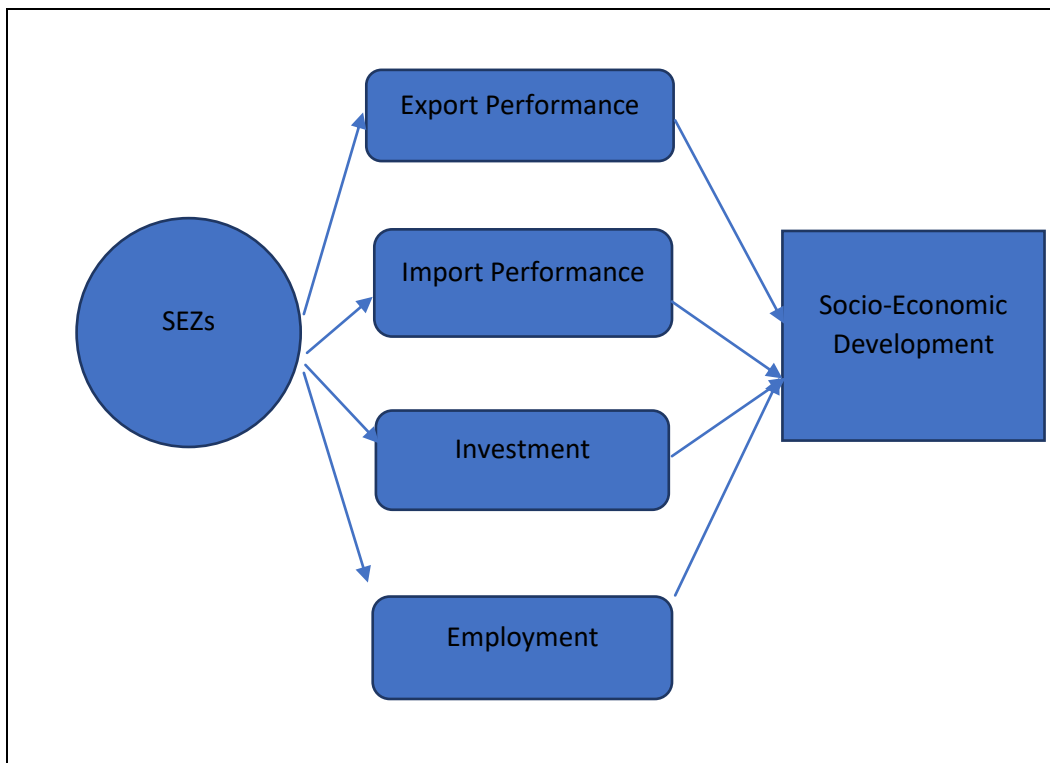
**3. Panduranga R C, Prasad A and Pavan, Kumar G (2010)**, employment created by SEZ in Southern India, as stated in this article. The author analyses the nature and importance of SEZs in India, tracks the direct and indirect employment produced by various types of notified SEZs in southern India, plots the intra-state and interstate current employment produced by notified SEZs in southern India, and categorises the current employment produced by notified SEZs across the states of southern India. In this paper, an effort is made to identify the employment generated by SEZs that have been notified in India's southern region and to analyse the makeup of the current employment produced by various SEZ categories in that area.

**4. Stoltenberg, C. D. (1984)**. The idea of export processing zones (EPZs) in Asia was examined as a potential engine for economic growth, but this depends on a variety of factors, including the geographical, economic, social, and political context of the relevant nation. The promotion of the products, best use of the equipment, and authorization for the warehouses from the relevant authorities are all requirements for the businesses and factories established in these zones. These EPZs' success is influenced by the location, accessibility of transportation options, labour and land supply, and availability of infrastructure and auxiliary services. In the developing nations of Asia, there is a division of labour and other support services at the international level with a variety of "free-zone-type" establishments.



## Theoretical Framework of the Study

For the study the theoretical framework has been formulated by considering the findings of the earlier studies



## Research Design

### Objectives of the Study

1. To study the concept of SEZs
2. To evaluate the contribution of SEZs towards the socio-economic growth of the study area
3. To offer suitable suggestions to the problems identified during the study

### Scope of the Study

Geographical scope of the study is confined to the Belagavi SEZ (AEQUZ), the conceptual scope of the study is limited to the contribution of SEZs towards the socio-economic growth of the stud area in terms of export performance, import, investment and employment. The time period of the study is restricted to ten years data regarding the same.

### Methodology

The study is descriptive and analytical in nature, and covered only secondary data, that is available with the published sources like reports, SEZs websites and other e-sources.

## Results and Discussion

Below tables describes the contribution of SEZs towards the socio-economic development of Belagavi. Here ten years data published at authenticated website of GOI is considered for analyse the performance of SEZ in Belagavi.

**Table: 5.1 : Export Performance of AEQUZ SEZ in Belagavi**

Sl. No	Year	Exports (Rs in Crores)	GR in %
1	2009-10	0.06	-
2	2010-11	19.64	32633.3
3	2011-12	49.68	153.0
4	2012-13	90.86	82.9
5	2013-14	142.44	56.8
6	2014-15	198.78	39.6
7	2015-16	267.64	34.6
8	2016-17	436.32	63.0
9	2017-18	552.55	26.6
10	2018-19	623.6	12.9
11	2019-20	575.29	-7.7
12	2020-21	555.75	-3.4
13	2021-22	542.25	-2.4

*Source: Compiled by the researcher from the reports of CSEZ RTI Office of Development Commissioner*

The above table shows the data about the export performance of AEQUZ SEZs in Belgaum. It is witnessed that the exports from SEZs augmented rapidly during the period 2009-10 to 2018-19. The above table also reveals that the exports from SEZs increased over the years from Rs. 0.06 crores in 2009-10 to Rs. 542.25 crores in 2021-22 which is appreciable. However the growth rate was positive over the years till 2018-19 and declined during 2021-22 up to -2.4% due to the pandemic effect.

In nutshell over the years from 2009-10 to 2018-19 there is an increase in the amount of exports due to the constant efforts from the side of Government in providing fiscal benefits which facilitated the SEZs in Karnataka to undertake exports and gain foreign reserves. A declining growth rate is evident from 2019-20 till 2021-22 the reason behind decline is the effect of pandemic over the globe.

**Table: 5.2: Imports of AEQUZ SEZ in Belagavi**

Sl. No	Year	Imports (Rs in Crores)	GR in %
1	2009-10	0.41	-
2	2010-11	126.5	30753.7
3	2011-12	37.72	-70.2
4	2012-13	71.4	89.3
5	2013-14	75.39	5.6
6	2014-15	196.73	160.9
7	2015-16	237.96	21.0
8	2016-17	348.5	46.5
9	2017-18	470.12	34.9
10	2018-19	460.75	-2.0
11	2019-20	406.85	-11.7
12	2020-21	402.25	-1.1
13	2021-22	396.45	-1.4

*Source: Compiled by the researcher from the reports of CSEZ RTI Office of Development Commissioner*

The above table shows the data about import performance of AEQUZ SEZs in Belgaum. It is witnessed that the imports from SEZs intensified swiftly during the period 2009-10 to 2017-18 from Rs 0.41 crores to Rs 470.12 crores. Imports from SEZs increased at higher rate during 2010-11 from Rs 0.41 crores to Rs 126.5 crores with the GR (30753.7%). The above table also reveals that there is an increase in the trend of imports upto 2017-18 however later it started to decline with negative growth rate. In nutshell over the years from 2009-10 to 2017-18 there is an increase in the amount of imports activity. A declining growth rate is evident from 2018-19 to 2021-22 with -2% to -1.4%.

**Table: 5.3: Investments Mobilized by AEQUZ SEZ in Belagavi**

Sl. No	Year	Investments (Rs in Crores)	GR in %
1	2009-10	9.36	-
2	2010-11	65.4	598.7
3	2011-12	18.54	-71.7
4	2012-13	23.79	28.3
5	2013-14	112.83	374.3
6	2014-15	188.58	67.1
7	2015-16	257.89	36.8
8	2016-17	358.96	39.2
9	2017-18	642.67	79.0
10	2018-19	712.56	10.9
11	2019-20	888.74	24.7
12	2020-21	945.36	6.4
13	2021-22	947.25	0.2

*Source: Compiled by the researcher from the reports of CSEZ RTI Office of Development Commissioner*

The above table shows the data about investment mobilized by AEQUZ SEZs in Belgaum. It is witnessed that the investment mobilization by AEQUZ SEZ intensified swiftly during the period 2009-10 to 2021-22 from Rs 9.36 crores to Rs 947.25 crores. Investment mobilization from SEZ increased at higher rate during 2010-11 from Rs 9.36 crores to Rs 65.4 crores with the GR (598.7%). The above table also reveals that there is an increase in the trend of investment mobilized. In nutshell over the years from 2009-10 to 2021-22 there is an increase in the amount investment mobilized. However the rate of growth is downward.

**Table: 5.4: Employment Generated by AEQUZ SEZ in Belagavi**

Sl. No	Year	Employment	GR in %
1	2009-10	25	-
2	2010-11	549	2096.0
3	2011-12	545	-0.7
4	2012-13	694	27.3
5	2013-14	691	-0.4
6	2014-15	963	39.4
7	2015-16	1242	29.0
8	2016-17	29	-97.7
9	2017-18	1967	6682.8
10	2018-19	3047	54.9
11	2019-20	2925	-4.0
12	2020-21	2525	-13.7
13	2021-22	2756	9.1

*Source: Compiled by the researcher from the reports of CSEZ RTI Office of Development Commissioner*

The above table shows the data about employment generated by AEQUZ SEZs in Belgaum. It is witnessed that the employment generated by AEQUZ SEZ intensified swiftly during the period 2009-10 to 2018-19 from 25 to 3047. Employment generation from SEZ increased at higher rate during 2017-18 from 29 to 3047 with the GR (6682.8%). The above table also reveals that there is an increase in the trend of employment generation. However, there is negative growth rate (-97.7%) witnessed during 2016-17 with only 29 employment generated. For the years 2019-20 and 2020-21 again the employment generation decreased, however, it increased during 2021-22 with 9.1% growth rate.

In nutshell over the years from 2009-10 to 2018-19 there is an increase in the number of employment opportunities generated. However the rate of growth is mix of increase and decrease.

**Table: 5.5: Gender Wise Employment Generated by AEQUZ SEZ in Belagavi**

Sl. No	Year	Male		Female		Total Employment	
		No.	%	No.	%	No.	%
1	2009-10	25	100	0	0	25	100
2	2010-11	516	93.99	33	6.01	549	100
3	2011-12	511	93.76	34	6.24	545	100
4	2012-13	643	92.65	51	7.35	694	100
5	2013-14	632	91.46	59	8.54	691	100
6	2014-15	893	92.73	70	7.27	963	100
7	2015-16	1198	96.46	44	3.54	1242	100
8	2016-17	0	0	29	100	29	100
9	2017-18	1920	97.61	47	2.39	1967	100
10	2018-19	2952	96.88	95	3.12	3047	100
11	2019-20	2850	97.44	75	2.56	2925	100
12	2020-21	2445	96.83	80	3.17	2525	100
13	2021-22	2668	96.81	88	3.19	2756	100

*Source: Compiled by the researcher from the reports of CSEZ RTI Office of Development Commissioner*

The above table shows gender wise employment generated by AEQUZ SEZ in Belgaum during 2009-10 to 2021-22. Out of total 25 employment generated 100% are male. During 2010-11 out of total 549 employment generated 93.99% are male and 6.01% are female. During 2011-12 out of total 545 employment generated 93.76% are male and 6.24% are female. During 2012-13 out of total 694 employment generated 92.65% are male and 7.35% are female. During 2013-14 out of total 691 employment generated 91.46% are male and 8.54% are female. During 2014-15 out of total 963 employment generated 92.73% are male and 7.27% are female. During 2015-16 out of total 1242 employment generated 96.46% are male and 3.54% are female. During 2016-17 out of total 29 employment generated 100% female employed. During 2017-18 out of total 1967 employment generated 97.61% are male and 2.39% are female. During 2018-19 out of total 3047 employment generated 96.88% are male and 3.12% are female. During 2019-20 out of total 2925 employment generated 97.44% are male and 2.56% are female. During 2020-21 out of total 2525 employment generated 96.83% are male and 3.17% are female. During 2021-22 out of total 2756 employment generated 96.81% are male and 3.19% are female.

In nutshell over the years, since from 2009-10 to 2021-22 the employment of male is more than female. The highest employment was generated during 2018-19 with 3047 employees employed. During 2013-14 the employment of female employees more with 8.54% as compared to other years and during 2016-17 out of total 29 employed 100% are female.

### **Suggestions and Conclusion:**

From the above analysis, it is found that contribution of the SEZs towards the socio-economic development of the study area is positive but the potential for growth is very high therefore it is suggested to the policy makers to encourage the units like Pharma, manufacturing etc so that local resources can be utilized with full potentials. Further it is necessary to streamline the process of availing the facilities provided by the government Implement and govern them effectively.

At the same time processes of availing the facilities is another big challenge faced by the SEZs this is because delay in implementation and corruptions, hence necessary follow ups by concerned authorities should be done to eliminate the same from the system. They need to take necessary steps in providing various monetary and non-monetary benefits to the startups for setting up new SEZs in order to provide employment. By these initiatives the study area can experience development in SEZs so that socio-economic development can take place

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# ADOPTION OF DIGITAL TRANSACTION: A PATHWAY TO CORRUPTION FREE COUNTRY

**<sup>1</sup> Mr. Hemanth Kumar K P, <sup>2</sup> Dr. Shashidhar R, <sup>3</sup>Prof. Paramashivaiah P**

<sup>1</sup>Research Scholar <sup>2,3</sup> Professor

<sup>1, 2</sup> Institute of Management Studies,

<sup>3</sup> Department of Studies and Research in Commerce

<sup>1, 2</sup> Davangere University, Davangere , <sup>3</sup>Tumkur University,  
Tumkur, Karnataka, India.

mail id: hemanthkp.hvp@gmail.com

**Abstract:** *The ancient Greek philosopher Heraclitus observed that change is the only constant in this universe; apart from change, nothing is permanent. The current world follows the same trends as digitalization in the current era. India is the most populated country in the world; as of April 2023, the country's population exceeded 142 crore. In a place where a greater number of human beings are isolated and struggling hard to become developing nations, corruption is destroying the development of the country. The only way to avoid corruption is through the digitalization of the economy, and for that, big challenges are also ahead. Current research is focusing on one side of the coin: the country that benefits from 100% digitalization. As per National Statistical Office (NSO) data, India's average literacy rate will be 77.70% in 2021, 99% of households will have access to banking services, and 94% of citizens will have mobile phones. As per the GOI and PRICE's ICE Survey, 2021 may not be a more challenging year to reach 100% in the coming years and implement digitalization throughout the country.*

**Keywords:** *Digital transaction, online payment, e-wallets, corruption, black money.*

**Introduction:** When all governmental and commercial entities are not just computerised but also 24/7 internet accessible, work in real-time, and are connected to one another, a digital India will be achievable. Therefore, reaching this milestone should be the first step. Additionally, it is essential to store every citizen's completely data base in an encrypted format. Online payment or receipts, in simple terms, do not involve any physical exchange of money; everything is done electronically from one account to another with the ease of the internet. Whatever the amount, whatever the place, whether working day or holiday, day or night, one can do the online transactions with the ease of the internet and with the help of the servers of the core banking system. There is no need to visit the bank for its financial services, and one can perform multiple tasks like, for example, balance inquiry, transfer of funds, online payment of bills, accrued interest, fees, and taxes, transaction details of each account, booking of flight, bus, and railway tickets, advocate or doctor's appointments, mobile recharges, investment or trading, etc.

Digital literacy programmes like the Pradhan Mantri Grameen Digital Saksharta Abhiyan (PMGDISHA) can also be ramped up in order to create greater transparency and accountability within delivery systems. Meanwhile, digitization of internal processes in the government and data-driven tech innovations are areas that should be explored to further strengthen the integrity systems and disrupt corruption risks. It is reported that in 2022, the average mobile internet consumption of an Indian will be 19.5 GB per month, and pan-India mobile data usage per month will rise from 4.5 exabytes in 2018 to 14.4 exabytes in 2022.

Indian PM Narendra Modi stated at the BRICS Business Forum 2022 that India will become a 1 trillion dollar digital economy by 2025, with a potential of reaching 2.5 trillion dollars. India has the second-highest number of internet users in the world; as of June 30, 2021, the total subscribers were 833.71 million.

Sweden has transformed to 100% cashless country in the world from this 2023, the population there is hardly less than 1% of India's population as the total number of people are 1,02,79,927 as on 19/05/2023 even which is less than Karnataka's capital Bengaluru population.

### **Literature Review:**

(Merhi, Mohammad I., 2022) investigates the effect of digital transformation on corruption at the country level by gathering information from 139 countries in the world. The results show that there is a significant reduction in corruption due to digital transformation, and technology plays a major role in achieving it. Apart from technological factors, socio-technical and socio-political factors are also important in reducing corruption.

(Rajat RAjesh N & Apurva P, 2020) had analysed the amount of transactions through digital modes in recent years by discussing different types of digital payment systems and digital mediums in India. As per the RBI report 2020, only 11% of the payment system comes under cheques and demand draughts, and the majority of the payment system adopts electronic payment systems such as RTGS, ECS, NEFT, NACH, UPI, IMPS, BHIM, USSD, PPIs, debit and credit cards at PoS, mobile banking, internet banking, and prepaid wallets. The study concludes that there is an improvement in digital transactions, especially in the COVID-19 period, where touch-less systems were made possible due to online payment systems. The paper also highlighted that cyber threats and other frauds that trick people may cause them to lose their hard-earned money.

(K. Suma Vally & K. Hema Divya, 2018) had analysed the consumer's perception of the adoption of digital wallets by the residents of Hyderabad City. Demonetization was the strong base for using mobile and the internet as sources for payments. The study captured the positive impact due to the digitization of the payment system in the country. The study used a convenience sampling method to draw a sample with a structured questionnaire from 182 respondents. The results indicate that the performance of the banking system has improved due to the deployment of technology.

(Malusare Lalita Babulal, 2019) studied the problems and prospects of digital payment methods in India by throwing light on the payment methods available in India and to what extent the people are using the available resources for their payment options for a period from 2013 to 2018, as per the RBI reports. Even though secondary data were used for the study, the outcome was impressive, so all variables were tremendously increasing in nature. The drawback of the research was that 80% of rural people will transact only with cash, with only 6% having computer literacy.

### **Objective of the Study:**

Study aims to determine the possibilities of country becoming a corruption free due to the implementation of digital transaction throughout country.



### **Purpose of the Research:**

Corruption is the obstacle for India to become a developed nation, and corruption exists due to the use of physical cash transactions. To become one of the developed nations, India has all the capability, but it only has to overcome the corruption factor. This paper highlights the importance of using digital currency as the main medium.

### **How to avoid /reduce corruption:**

If accountability is there for all transactions made by a person in the country, then it will be easy to identify the background and financial wellness of the individual. Indians mind set is totally different from the rest of the world; when it comes to individuals, by hook or crook, they have to accomplish the desired work or else they will be unhappy. For example, to reduce the queue in different places, a few are used to give the minimum amount to break the line and make them reach early or for higher positions. Rather than the authorised people, the job seekers will tempt them to receive the bribe instead of demand that they give the offer to the recruiters, particularly in the government sector.

The people who do business on the roadside and claim that they belong to BPL families may have a monthly income of above Rs. 50000 per month and 6 lakhs annually, and without paying any tax towards the government, they claim that they belong to a BPL family. In order to avoid or reduce the discussed issues, we hope that the implementation of online transactions may be the solution.

The system should be like this: even if a person goes to a temple, masjid, or church, if he or she is willing to offer any amount to the priest, it should be transferred directly from the devotee to the priest's account, and if he is earning anything as a salary, income from house property, income from capital gains, profit from business or profession, or any income from other sources, it will be easily recorded in their account with accuracy, and whatever expenditures are there in the financial year will be reduced from his account.

In this course of action, he is liable to give an account of where the money is coming from and for what reasons, and where the money is going and for what reasons. In such cases, one does not require any income certificates or cannot fool the government with false certificates. Based upon their regular income and expenditures, the government can frame an interactive software so that the amount of tax will be automatically deducted from the tax bracket to which they belong. There is no need to file the individual's income tax returns; if he is not satisfied, he can file the returns and request a refund in the amount if excess money is deducted with a proper explanation.

### **Conclusion:**

Digital transactions are gaining the momentum slowly after the introduction of PM Jan Dhan Yojana followed by demonetization and COVID 19. But still it has not brought to the front end as there are not 100% internet users in the country. There is no doubt that due to digital transactions it is very easy to trace or identify the transactions from whom to whom it has been taken, it is more convenient for the regulatory authorities for tracing the movement of the money between the people and for individuals also it is easy to maintain the accounting. Beg, borrow and steal will also be recorded in the digital transactions this enables efficient monitoring of financial activities and helps to detect any suspicious or fraudulent transactions.

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## FINANCIAL INCLUSION AND AGRICULTURE SECTOR - AN OVERVIEW

<sup>1</sup>Dr. G.L Parvathamma, <sup>2</sup>Nagma.N

<sup>1</sup>Professor, <sup>2</sup>Research scholar

<sup>1,2</sup> Department of Economics, Bangalore University, Bangalore.

Mail id - <sup>1</sup>dr.parvathigutte@gmail.com, <sup>2</sup>nagmanayak78@gmail.com

**Abstract:** *Financial inclusion is a flagship programme started by RBI, it is an excellent tool for empowering the living conditions of rural farmers, non-farm enterprises & other vulnerable groups. It brings everyone irrespective of financial status into banking fold for the individual progress & development of society there by achieving comprehensive growth with equality. Hence it plays a vital role in development of the economy. It is fact that without accessing formal finance at affordable cost inclusive growth is not possible. Agriculture supplies raw materials to various agro-based industries like sugar, jute, cotton textile industries. Food processing industries are similarly dependent on agriculture, hence development of these industries completely depending on farming sector. This agriculture land requires good soil, irrigation facilities, climate etc. In India about 51.09% of the land is under cultivation, 21% under forest & 3.92% under pasture. In India half of the population depends on agriculture sector but due to some circumstances like low income level, poverty, tiny & fragmented land holdings, lack of capital sources, non-availability of financial assistance farmers are very backdrop in production and productivity. Hence it is very much essential to bring that segment to the purview of financial inclusion. NABARD (National Bank for Agriculture and Rural Development) is a development bank with providing & regulating credit for the development of agriculture, small scale industries, cottage and village industries, handicrafts and other allied economic activities. It provides loans & advances through cooperative banks and regional rural banks, with repayable on demand or fixed periods not exceeding 12 months. In this backdrop the present paper focuses on financial inclusion policies/schemes of NABARD towards farmers and also discussed about challenges faced by farmers in agriculture sector followed by conclusions.*

**Keywords:** *Financial Inclusion, NABARD, Farmers, Agriculture credit, Micro finance, Crop insurance, Poverty, Production, Productivity.*

### Introduction

Agriculture is the backbone of Indian Economy as it plays very prominent role in development of Indian economy. Majority of the people depends on agriculture and its allied activities. Farmer is life of our country, but their financial situation is very pathetic. They are working day and night grow variety of crops and providing raw materials to the industries, but unfortunately maximum farmers are small & marginal they are living their life with poverty. Due to lack of capital even today most of the farmers are depending on indigenous money lenders, they charge highest interest rates for them. Hence government is providing many facilities for survival of farmers but according to NSSO survey 27% of household farmers are taking advantage of formal sources of credits it means 73% of household farmers do not use formal sources of credits.

The term financial inclusion is emerging as a new model of economic growth it is a new economic paradigm of economic development, it can play dynamic role in reducing nations poverty. It delivers basic financial services at affordable cost to all sections of society especially low income groups and weaker sections. It refers all types of financial products & services such as savings account facility, overdraft facility, payment & remittance services, affordable credit facilities, credit & debit cards, electronic fund transfer (IMPS,RTGS,NEFT, SWIFT),financial markets, insurance, micro finance, ATM services, entrepreneurial credit, mobile banking facility, UPI (Unified Payment Interface), cheque facility, internet banking etc.

### **Literature Review :**

**Ashwani Kumar, Hariom Gupta (2019)**<sup>1</sup> -in their article authors examines the level of financial inclusion and study the association between various demographic variables and inclusion among farmers **S. Chinnathambi, Dr. T Ramachandran (2020)**<sup>2</sup> - in their article authors examines the financial inclusion among small and marginal farmers in India. It also covers the trends in agricultural growth, cultivation pattern, participation, productivity, performance of small holders. **Ashwani Kumar, Hariom Gupta (2020)**<sup>3</sup> - in their article authors explains the various aspects of financial inclusion in India and focused on measuring degree of financial inclusion among farmers from demand side. It also examines the relationship between degree of financial inclusion and various demographic variables. **Dr. Ramakrishna (2017)**<sup>4</sup> – in his article author found that more innovative models needed to reach small and marginal farmers in rural areas for the success of financial inclusion programme. **Nirvikar Singh (2018)**<sup>5</sup> – in his article author mainly focused on basic concept of financial inclusion including access to banking, digital payments and financial literacy, crop insurance, agricultural credit, micro finance, etc.

### **Research Gap**

From the above review of literatures it is very clear that financial inclusion is important concept for the research in the subject of economy. On a deep analysis of studies on this related topic researcher found that only few studies have been conducted. Keeping in view, the study attempts to analyze the financial inclusion policies of NABARD towards farmers.

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<sup>1</sup> Ashwani Kumar, Hariom Gupta (2019) – “Financial Inclusion among farmers: Association between Status and Demographic Variables”, International Journal of Recent Technology and Engineering (IJRTE), Volume 8, Issue 4, ISSN: 2277-3878

<sup>2</sup> S. Chinnathambi, Dr. T Ramachandran (2020) - “Financial Inclusion – A study on Small and Marginal Farmer in Theni district”, International Journal of Applied Engineering Research, Volume 10, No 9, ISSN: 0973-4562

<sup>3</sup> Ashwani Kumar, Hariom Gupta (2020) – “Financial Inclusion among small and marginal farmers”, An International Bilingual Peer Reviewed Refereed Research Journal, Volume 20, Issue 38(2), ISSN: 2229-3620

<sup>4</sup> Dr. Ramakrishna (2017) – “Agriculture Credit Reform and Financial Inclusion in India”, IJARIE [www.ijarie.com](http://www.ijarie.com), Volume 3, issue 6, ISSN (O)-2395-4396

<sup>5</sup> Nirvikar Singh (2018) – “ Financial Inclusion: Concepts, Issues and Policies for India”, <https://mpra.ub.uni-muenchen.de/91047/> MPRA Paper No 91047

## **Methodology:**

The proposed research article is descriptive in nature. The study is completely based on secondary data. The required information regarding financial inclusion is collected from various sources such as articles in journals, books, conference volumes and referred in Google scholarly articles.

## **Objectives:**

The present research study sets the following objectives.

- To study the status and extent of financial inclusion in India.
- To examine the financial inclusion schemes/policies for farmers from NABARD.

## **Status and Extent of financial inclusion in India**

India is a self-reliance country in production of food grains and it is mammoth achievement. After green revolution India transformed from food-deficit nation to food-surplus nation. Today India is world's largest sugar producing country and holds 2<sup>nd</sup> place in rice production only after China. Also 2<sup>nd</sup> largest producer of wheat around 14.14% total world's production in 2020. It is worth noting that farmers grew record food grains during pandemic while the entire world was tottering under impact of COVID-19. In 2020 Kisan Rath application has launched to facilitate farmers and traders in transporting agriculture produce. to build confidence among farmers Government of India declared minimum support price before sowing seasons ensuring remunerative prices. As NSSO, the average monthly income per agricultural household increased from Rs6426 in 2012-13 to Rs10218 in 2018-19.

To enhance the farmers income government has taken initiatives across several areas. Income support is provided to farmers PM Kisan scheme, crop insurance is assured through Pradhan Mantri Fasal Bima Yojana and irrigation facilities are endured under Pradhan Mantri Krishi Sinchai Yojana. Institutional access is providing through Kisan Credit Card. PM-AASHA (Pradhan Mantri Annadata Aay SanraksHan Abhiyan) it is an umbrella scheme ensures Minimum Support Price to farmers for various crops. Also government has announced to convert more than 3.25 lakh fertilizer shops as Pradhan Mantri Kisan Samruddhi Kendras across the country. By introducing One Nation, One Fertilizer under Bharat brand name will facilitate increase in availability & reduce the cost of fertilizers.

## **Classification of Farmers**

A farmer (as owner/tenant/share cropper) cultivating agricultural land more than 1 hectare & up to 2 hectares is called small farmer and one who is cultivating agricultural land up to 1 hectare is marginal farmer. The person one who is having 2-4 hectares of agricultural land he is semi medium farmer, if he is having 4-10 hectares he is medium farmer and if his agricultural land is 10 hectares and above he is large farmer.

**Table: 1 Classification of farmers**

Sl. No	Category	No of Farmers	Area (hectares)
1	Marginal (below 1 hectare)	3848834	1850946
2	Small (1-2 hectares)	2138208	3020002
3	Semi-medium (2-4 hectares)	1266829	3393036
4	Medium (4-10 hectares)	510745	903687
5	Large (10 hectares & above)	67573	993786
	Total	7832189	12161457

Source: Karnataka Agriculture Census Report, 2010-11

There are mainly 2 sources of agricultural credit.

**a) Non-Institutional sources** - it includes money lenders, traders, commission agents, relatives & land lords. Rich farmers or land lords who combine farming with money lending, supply credit to farmers for productive & non-productive purpose. Traders & commission agents supply funds to farmers for productive purpose especially for crop production. Farmers often borrow from their relatives in the form of cash.

**b) Institutional sources** - earlier farmers depends on non-institutional credit sources but they charged high interest rate along with land or other assets were kept as collateral. It leads to requirement of institutional credit arrangements. It comprises RRBs, Co-operative banks, commercial banks, NABARD, micro finance institutions.

### **Financial inclusion initiation of RBI**

Financial inclusion may be defined as the process of ensuring access to financial services timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost. Since independence, Reserve bank of India & government launched many initiatives for financial inclusion such as nationalization of banks, regional rural banks, cooperative banks, banking correspondence agents, swabhiman, swavlamban, microfinance, no frills account, Bharathiya Mahila bank etc.

Reserve bank of India in its annual policy statement of April 2005 identified the issues of financial exclusion then initiated several policies aimed at promoting financial inclusion. The major initiatives are as follows:

- Introduction of basic no frills banking account either with nil or very low minimum balances as well as charges that would make such accessible to vast section of population. Already many of the banks come out with their schemes.
- General purpose Credit Card (GCC) facility issued by the banks with credit limit up to Rs25000 based on cash flow of the household to enable hassle-free access to credit to rural households.
- Pilot project for 100% financial inclusion in the union territory of Pondicherry & one district each in all states/union territories. On the basis of experience gained, the scope for providing 100% financial inclusion in other areas/states would be considered.
- Policy initiative on business correspondents & business facilitators model for last mile connectivity between the banks and the excluded segment of population.

## **Agricultural credit**

Since green revolution, investment requirement has been increased as almost all the inputs like seeds, fertilizers, pesticides, pipelines, motor pump sets are to be purchased and other services like tractors, harvesters, sprayers, rotors are to be hired from the market. Agricultural credit in India was Rs.4468 billion in 2010-11 and Rs.8453 billion in 2014-15. The major institutional credit agencies are cooperative banks (rural/urban cooperative banks), regional rural banks, commercial banks, primary agricultural credit societies etc. Considering the purpose & period of credit requirement of farmers, agricultural credit can be classified into 3 types. They are

- Short term-farmers require short term credit to purchasing seeds, fertilizers, paying wages to hired workers for a period of less than 15 months.
- Medium term-it includes purchasing of pump sets & other agricultural implements. It is for the period of 15 months to 5 years.
- Long term-they also need finance for the long period like more than 5 years for the purpose of buying additional land or making improvement on land like sinking of wells, reclamation of land etc.

## **Micro finance**

It is one of the most promising way to use scare development funds to achieve the alleviation of poverty. The term microfinance came into existence in Bangladesh Grameen bank by professor Mohammad Yunus in 1983. The term micro means small. There is a wide variety of institutional microfinance sources comprising commercial banks, cooperative banks, regional rural banks, & other non-institutional sources comprising NGOs, non-banking financial companies, self-help groups, cooperative societies etc. as per 2021 January 17, Statista Research Department scheduled commercial banks in India had a market share of 42% followed by small finance banks (17%), micro finance institutions (32%), non-banking financial companies (8%). Self-help group linkage programme is the primary mode of microfinance reaching over 6 million families.

## **Crop insurance**

It is protecting the farmers against financial losses due to uncertainties that may arise from crop failures/losses. It aims at mitigating financial losses suffered by farmers due to the destruction and damage of their crops resulting from various risks like extreme weather, natural disasters or revenue loss due to price fluctuations in the agriculture market. Crop insurance has being existence in country since 1972, yet it has facing with several problems such as lack of transparency, high premium etc.

## **Financial inclusion schemes for farmers from NABARD**

The Committee to Review Arrangements of Institutional Credit for Agriculture and Rural Development (CRAICARD) has recommended the establishment of developmental bank. It was formed by special parliamentary act 61, on the recommendations of B. Shivaram Committee on 1981. Accordingly NABARD (National Bank for Agriculture and Rural Development) was set up in the year 1982, July 12 under 6<sup>th</sup> five year plan. It focuses on advancement of rural India by enhancing flow of credit for the development of agriculture sector.

It provides short term loans & advances through cooperative banks and regional rural banks on repayable or fixed periods of not exceeding 12 months by way of refinance of production, marketing, procurement activities. Its main objective is to supply the resources to banks and to improve credit flow at ground level. NABARD provides medium term credit for seasonal agricultural operations to state co-operative banks and regional rural banks for providing farmers whose crops have been damaged due to natural calamities. NABARD provides long term refinance leads to capital formation through asset creation and promotes employment opportunities in rural and semi-urban areas by supporting to farm and off-farm activities. It provides long term refinance to following institutions such as scheduled commercial banks, regional rural banks, state cooperative banks, district central cooperative banks, state cooperative agricultural & rural development banks, primary urban cooperative banks, small financial banks, NABARD subsidiaries, micro finance institutions to supplement resources for providing credit to support investment activities of farmers. It intended to encourage larger lending programmes to meet the agricultural credit requirements. It covers both farm sector and off farm sector activities, the tenure of refinance is between 18 months to 5 years.

Government of India and NABARD brought many policies/schemes to uplift the farmers as well as farming sector. Some of the important policies/schemes are as follows;

➤ **Farm sector promotion fund** - it is created by NABARD by merging 2 erstwhile funds like farms innovation & promotion fund and farmers technology transfer fund on July 26, 2014. It focuses on promoting innovative & feasible projects and transfer of technology for enhancing production & productivity. During 2022-23 as on 31<sup>st</sup> December 2022 an amount of Rs13.22 crore has been disbursed with cumulative grant disbursement of Rs202 crore for various promotional initiatives in agriculture. In the same period Rs2.36 crore has been disbursed under capacity building for adoption of technology.

➤ **Watershed development fund** - it was set up in NABARD during 1999-2000 with an initial corpus of Rs200 crore contributed by government of India & NABARD in equal proportion.

➤ **Soil restoration & rehabilitation of degraded soils for food security** - it aimed to address the issues of soil & water conservation, land reclamation, improving soil productivity and enhancing crop resilience to climate change. It has been implemented by NABARD in 5 states namely Karnataka, Telangana, Andhra Pradesh, Odisha & Chattisgarh with grant support of Rs80 crore from kfw, over a period of 4 years from 2015-2020. As on 32<sup>st</sup> March 2022, implementation of 123 projects were completed with financial commitment of 60.11 crore of which an amount of 59.82 crore has been disbursed.

➤ **Promotion & Development of Farmer Producer Organizations** - it is a legal entity formed by primary producers like farmers, milk producers, fishermen etc. it is one of the effective means of linking small producers wit agriculture value chain for the purpose of enhancing income of producers. NABARD provides financial support to FPOs through the following programmes.

- a. Producers Organization Development Fund
- b. Producers Organization Development and Upliftment Corpus Fund
- c. Central Sector Schemes for Promotion and Nurturing of Farmers Producers Organizations. NABARD has developed a portal named NABFPO.IN and digitized the Farmer producer organizations data including members profiles by the stakeholders.



**Table 2: Details of farmer producer organizations**

No of FPOs registered ( FPO - Farmer Producer Organization)	5029
No of shareholder members	2029000
No of FPOs credit linked	1363
No of FPOs market linked	2917
No of POPIs (POPI - Producer Organization Promoting Institution)	1350
No of CBBOs (CBBO - Cluster Based Business Organization)	110
No of FPOs digitized	4290
No of members digitized	1867252

- **Soil Health Card Scheme** - it has been introduced in 2015 it provides information to all farmers on nutrient status of their soil along with that appropriate dosage of nutrients to be applied for improving soil fertility. In 2017 253 lakh soil samples have been collected in this 245 lakh (97%) samples have been tested. In 12 crore soil health cards 9 crore (76%) cards have been disbursed to farmers.
- **Pradhan Mantri Krishi Sinchai Yojana** - launched in 2015 with a motto of “Har Khet Ko Paani” it is being implemented to expand cultivated area with reduce wastage of water and improve water efficiency. It is not only focusing on creating sources for assured irrigation, also creating protective irrigation at macro level through Jal Sanchay & Jan Sinchan. Micro irrigation is also incentivized through subsidy ensure “Per-drop-More-crop”.
- **Pradhan Mantri Fasal Bima Yojana** - launched in 2016, to provide comprehensive crop insurance coverage from pre-sowing & post-harvest losses against natural risks. These schemes are completely risk mitigation tools available to all farmers with low premium rates at 2% for Kharif crops, 1.5% for Rabi crops and 5% for annual commercial/horticulture crops. During 2016-17 over all coverage of Pradhan Mantri Fasal Bima Yojana & Restructured weather based crop insurance schemes is 401.52 lakh farmers & 385 lakh hectare area insured for Rs133106 crore in Kharif, 172.67 lakh farmers & 195 lakh hectare area insured for Rs71696 crore in Rabi seasons.
- **PM Kisan Scheme** - came to existence in 2018 December, it is an initiative of government wherein 120 million small & marginal farmers of India with less than 2 hectares of land holdings will get 6000 per year as minimum income support.
- **Rainfed Area Development Programme** - it was started under Rashtriya Krishi Vikas Yojana as its sub scheme. The aim was to improve farmers standard of life especially small and marginal farmers by providing complete package of activities to maximize farm returns, it also helps to increase agricultural productivity of rainfed areas. It reduces the adverse impact of crop failure because of drought, flood or un even rainfall distribution through diversified & composite farming.

➤ **Kisan Credit Card Scheme** - it was launched in 1998 with the aim of providing short term formal credit to farmers and it was created by NABARD. Now it has been linked with Pradhan Mantri Kisan Samman Nidhi Yojana, farmers can seek loan from KCC up to 3 lakh at 4% interest rate. Moreover farmers are exempt from high interest rates of regular loans offered by banks as interest rate for KCC starts as low as 2% & averages at 4%. With this farmers can repay their loans depending on the harvesting period of their crop for which the loan was given.

**Table 3: Financial inclusion schemes for agriculture sector from NABARD**

<b>Schemes/ Policies</b>	<b>Area (in lakh hectare)</b>	<b>No of projects</b>	<b>No.of projects completed</b>	<b>No of ongoing projects</b>	<b>Amount sanctioned (in crores)</b>	<b>Amount released (in crores)</b>
Indo German watershed development programme	3.35	326	326	0	338.45	322.81
PMs package	5.96	758	758	0	897.14	804.50
Watershed development fund	9.41	1133	658	475	947.16	555.58
Integrated watershed management programme	0.80	79	79	0	60.00	55.00
Kutch drought prone programme	0.10	10	10	0	3.50	3.30
WDF – climate proofing	1.38	188	23	165	95.32	77.63
Kfw soil projects	1.74	266	123	103	119.52	92.34
Sustainable development plan	2.08	466	439	27	45.17	42.58
Indo German watershed development programme climate proofing	2.38	40	40	0	22.54	21.32
Spring shed based watershed development programme	0.33	113	0	113	23.68	11.64
Integrated watershed management scheme	0.22	201	90	120	28.19	25.89
Soil & water conservation promotional measures & other farming practices in dry land/ watershed areas on non-watershed basis	0.01	4	0	4	1.09	0.33
Reclamation of saline & alkaline soils	0.02	4	0	4	7.49	1.37
<b>Total</b>	<b>25.65</b>	<b>3557</b>	<b>2546</b>	<b>1011</b>	<b>2589.25</b>	<b>2014.28</b>

As on 31<sup>st</sup> March 2022, cumulative sanction under all programmes stood Rs2589.25 crore covering an area of 25.65 lakh hectares. An amount of Rs2014.28 crore has been released for 3557 projects in this, 2546 projects has been completed successfully.

### **Challenges faced by farmers in agriculture sector**

Today agriculture sector achieved a great transformation but still farmers are plagued by several issues. These challenges directly or indirectly affect the farmers life. Major callenges faced by farmers in agriculture sector are as follows;

- Inadequate transport
- Lack of access to credit
- Lack of insurance
- Uncertain water supply
- Lack of remunerative credit
- Soil erosion
- Lack of mechanization
- Surface water over exploitation
- Old irrigation infrastructure
- Lack of high quality seeds
- Small and tiny land holdings
- Lack of modern farming equipment
- Lack of capital

### **Findings**

- According to Karnataka Agriculture Census Report 2010-11, total no of small farmers is 21382208 and marginal farmers is 3848834.
- As on 31<sup>st</sup> March 2022, NABARD has taken 3557 projects, in this 2546 projects has been completed.
- Under various programmes NABARD has sanctioned Rs2589.25 crore to promote agriculture sector.
- There are total 5029 farmer producer organizations exist in all over Karnataka.

### **Suggestions**

- The government needs to take more necessary steps to increase the level of financial inclusion of farmers.
- Collaboration & Coordination should be required in between public & private sectors, policy makers, practitioners to implement schemes.
- Requested to promote the schemes with respect to financial inclusion campaigns to be given by banks.
- Special budget should be allocated for the schemes.
- They can campaign with panchayat boards to do programmes for implementation of schemes.
- Both state & central governments can form farmers club, they may take initiation of providing financial inclusion among small and marginal farmers.
- Government should create awareness and literacy programmes to educate farmers regarding financial inclusion schemes/programmes to get benefits.

## Conclusion:

The concept of financial inclusion plays a prominent role; it is an essential & multidimensional term for the development of nation in terms of economic growth & advancement of society. It covers financial services like credit, savings, insurance etc. Financial inclusion in terms of access to credit from formal institutions is high for small and marginal farmers. Apart from formal institutions the role of self-help groups & micro finance institutions is important to improve financial inclusion of people, but still small and marginal farmers are unable to get credit easily due to lack of knowledge or due to communication gap. In order to provide credit to productive sector government should adopt multi-channel credit policy involving SHGs & MFIs. While defining credit policy there is no uniformity across the country. It should be flexible & decentralized based on local socio-economic condition. Agriculture is epicenter of country's journey towards self-reliance with farmers. Government of India and NABARD together taking significant steps for empowerment, stability & upliftment of farmers in holistic manner. Therefore more innovative models are required to reach small and marginal farmers for the success of financial inclusion programmes. Banks and other financial institutions are constantly taking initiation through the government to increase their presence among farmers.

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# PERFORMANCE OF F&O DERIVATIVE INSTRUMENTS IN INDIAN STOCK MARKET: WITH SPECIAL REFERENCE TO NSE

<sup>1</sup>Dr. Manjunath K.R., <sup>2</sup>Thippeswamy. C. B.

<sup>1</sup>Associate Professor, <sup>2</sup>Research Scholar

<sup>1,2</sup>Institute of Management Studies & Research,

<sup>1,2</sup>Kuvempu University, Shankaraghatta, Shivamoga, Karnataka - 577541

<sup>1</sup>manjurajappa@gmail.com, <sup>2</sup>thippeswamy270@yahoo.com

**Abstract:** Capital market depends on financial instruments, such instruments are in Derivative instruments. Those derivative instruments always depend on underlying assets. While an underlying assets price ups and downs in the market, due to impact of systematic and unsystematic risk factors. Beyond that is considered performance of an underlying asset without their risk as that are well derivative instruments. The main objective of this paper is to evaluate F&O derivative instruments with special reference to NSE in India. The data has taken from ten-year turnover of F&O derivative instrument between 2013-14 to 2022-23 given by NSE. The performance was measured in terms of CAGR, Variance, Standard Deviation and Co-Efficient of Correlation. The result of the study gives insights to best derivative instrument for individual, institutional and portfolio managers to investing their investments.

**Key word:** Capital market, F&O Derivative Instrument, CAGR, NSE, Stock Market.

## Introduction

Today Indian stock market have been growing and enhancing the income in terms of return. In India, since 1991, introducing of new economic policy which has gave the huge opportunity for investors to investing investment. As this process of economic liberalization, the stock market was assigned a vital place for enhancing the corporate sector and create cash flow in the market. As the view of investors, it could be enabling mobilizing resources for investment of investors also providing liquidity to the investors and monitoring and disciplining company management are the principal functions of the stock market. The main aim of stock markets is mobilizing resource directly for entrepreneurs and governments with the offering of liquidity. which improves the long-term economic growth. Thus, the stock market including multiple strategies that those are affect for investment risks in stock market. The risks, such as exchange risk/ currency risk, socio political risk, investment risk, liquidity risk, market risk, inflationary risk, call risk, taxability risk, credit risk, business risk, interest rate risk, etc. in order to minimize the risks of loss, which are trend the most sought in the market by investors with analyzing of the stock market. Notably, after the liberalization process got deepened and widened I 1991 development of capital markets were made an integral part of the restructuring strategy. Nowadays Indian markets adopted with the international standards as in both terms of structure and operating efficiency.

The Indian derivative market today becomes a multi trillion-dollar market. This was appearing as the ability to partially and fully the risk to locking in asset prices, derivatives in order to increase the popularity among the investors. Derivative dealers are handling the stock exchange or over the counter trading's.

The stock market volatility of derivative trading has sensing from the recent years. Which was partially after the stock market crash of 2001 derivative products such are Futures and Options on Indian stock market becomes vital instrument of price discovery, portfolio diversification, and risk hedging from the recent times. From the last decade, many emerging and transition economies has started for introducing derivative contracts. There is increasing the sense of derivative market plays an important role as shaping growth of stock market in India. This paper aim to analyses the performance of F&O derivative instrument in Indian stock market and interpretation between the futures and options trading contracts from the last ten years data would be using regarding to the derivative instruments of National Stock Exchange in India (NSE).

### **Research Methodology**

The objective of this paper is to investigate, analyzing and exploring the performance of Futures and Options (F&O) derivative instruments of National Stock Exchange in India. The present study was in descriptive nature and this was been based on the conceptual survey in the way of exploring information in descriptive nature with follows an analytical research methodology.

### **Objectives of Study**

Objectives of this papers are follows

- To study the F&O derivative Instrument of Indian Stock Market.
- To evaluate factors, impact on Indian stock market
- To analyze the performance derivative Instruments turnover on futures and Options (F&O) Segment in National Stock Exchange (NSE).

### **Sources of study**

Literature review and secondary data were gathered, including data from the previous ten years that were taken from NSE website, articles, reputable journals, research papers, and other publications. Includes information gathered from numerous government and non-government websites that are accessible online.

### **Tools and techniques of study**

The tools were used in the study as Averages, Compound annual Growth Rate (CAGR), Variance, Standard Deviation, co-efficient of variation. Above tools and technique used for the purpose of analyzing and identifying performance of F&O derivative Instrument in National Stock Exchange in India.

### **An Overview of earlier works**

Shalini, H., and Raveendra, P. (2014), "A study of derivatives and its present status in the global financial derivatives market" was included. The importance and contribution of derivatives to the financial system have been determined by examining trend, growth, prospects, and difficulties of derivatives in the Indian capital market.

Subbalakshmi, S. (2016), conducted a research project on the derivatives market in India. The report outlines the recent phenomena of the derivatives market's creation and expansion. The outcome indicates that development in the derivative market is still in its infancy and that Securities Board of India (SEBI) must take specific efforts to improve in order to draw more investors to the derivative segment of the Indian stock market.

Chen, H., Lobo, B. J., & Wong, W.-K. (2006), He has seen that there is an interaction link between the Indian and Chinese stock markets, although the U.S. stock market plays a prominent role in relations with both the Indian and Chinese stock markets.

Bhalla V.K. (2011), In his book, he explains how the regulatory structure that oversees the stock market as well as the degree of interconnectedness between the domestic and foreign capital markets both affect how volatile stock prices are. In India, net FII investment and trend on the international stock exchange, particularly NASDAQ, were the two most significant variables that significantly influenced the behavior of stock prices throughout the nineties.

ISDA organization research (2009), According to the ISDA Derivatives Use Study, the majority of developed company economies employ interest rate and currency derivatives, with 94% of the world's top corporations utilizing derivatives to manage business and macroeconomic risks. According to RBI, a careful mechanism should be in place to manage the risk associated with derivatives. High level management should have proper oversight over and a process for managing risks that incorporates reasonable risk limits, reliable measurement techniques and information systems, ongoing risk monitoring, regular management reporting, and thorough internal controls.

Jauanath Verma, He stated, "It is this liquidity that attracts fraudulent traders to derivatives. Only highly liquid markets allow for the adoption of doubling tactics, and derivatives frequently fit this description perfectly. Second, huge amounts of leverage are offered via derivatives. With only a tiny initial commitment, enormous derivative positions are attainable.

The portfolio manager must know how to use derivative goods to their best advantage because they have both positive and bad sides.

R. H. Patil, "Despite the obvious risks that individual stock futures pose to the safety and integrity of the capital market of the country, they have been introduced in a hurry in our country. In my opinion it was not a wise thing for us to have introduced individual stock futures. All those who had mourned the death of badla are very happy that a similar product is now available for them to play their games", It indicates that nobody supported the development of individual stock futures. The topic of whether the introduction of derivative products truly aids in reducing risk (volatility) in the stock market or if they are merely fictitious has come up.

Castellano and Giacometti (2001), he was said when protective-put and covered-call strategies were compared to the performance of owning an unhedged currency portfolio, it was discovered that the option strategies outperformed the best naked portfolios, and the protective-put strategy outperformed the others for various VaR models.

Brooks and Hand (1988), He looked at the return characteristics of index futures contracts and discovered that the risk-free rate, dividend rate, basis, and margins affect both the return distribution and performance rating.

Isakov and Morard (2001), The use of option strategies consistently enhances the performance of stock portfolios, even in the presence of transaction costs, according to his investigation into the effectiveness of a global investment strategy that combines diversification and option strategies, particularly the covered call strategy.



Abid et al (2006), By comparing the performance of various option strategies, such as writing OTM covered calls and purchasing ITM protective puts, to that of pure stock investments, it was discovered that, generally speaking, the buying ITM protective put strategy outperformed the naked stock.

Nath and Verma (2003), They use bivariate and multivariate co integration analysis to model the links among the stock markets in order to analyze the interdependence of the three largest stock markets in south Asia, namely India (NSE-Nifty), Taiwan (Taiex), and Singapore (STI). In their opinion, there is no long-term balance.

### **Developments of derivative markets in India**

Indian derivatives markets have existed in some capacity for a very long period. The Bombay Cotton Trade Association launched futures trading in the commodities sector in 1875. The Government of India banned cash settlement and option trading in 1952, which caused the trade of derivatives to move to unofficial forwarding markets. Government policy has changed recently to promote a bigger role for market-based pricing and less dubious derivatives trading. The Securities Laws (Amendment) Ordinance, 1995, was passed as the first step towards the legalization of trading in financial derivatives in India. This allowed for the lifting of the ban on stock options. Beginning in the year 2000, the restriction on trading in numerous commodities' futures was abolished. Nationwide Electronic Commodities Exchanges were also established around this time. Trading in derivatives began in India in June 2000 after SEBI, acting on the L. C. Gupta committee's suggestion, had given its final permission in May 2001. The NSE and BSE derivative divisions, as well as their clearing house/corporation, were given permission by the Securities and Exchange Board of India (SEBI) to start trading and settling in authorized derivatives contracts. The trading of index futures contracts based on major stock market indexes, including S&P CNX, Nifty, and Sensex, was initially allowed by SEBI. Index-based trading was subsequently made available for both individual equities and options.

### **Participants in the stock market in India**

- Hedgers - Operators, who want to transfer a risk component of their portfolio.
- Speculators - Operators, who intentionally take the risk from hedgers in pursuit of profit.
- Arbitrageurs - Operators who operate in the different markets simultaneously, in pursuit of profit and eliminate mis-pricing

### **Factors Impact on Stock market**

The major factors that affect the Indian stock market are as follows:

- Flow of Foreign Institutional Investors
- Political Stability
- Growth of Gross Domestic Product
- Inflation, Liquidity and different interest rate
- Global level factors

## Importance of F&O derivative instruments

F&O Derivatives are typically employed as risk management techniques.

- **Risk-averting measures:** The effective transfer and management of risk through a variety of option and future contract strategies is one of the most significant services offered by derivatives. To control derivative contracts for extremely volatile financial markets served as a risk-reduction strategy by taking positions in the market for hedging, speculation, and arbitrage.
- **Future price forecasting:** Investors always want to know what the share price will be in the future so they can invest wisely and earn the most money. The price of future share markets as well as the spot market can be predicted using derivatives as a barometer. Also, they assist in gathering and disseminating diverse information about the trading of different commodities and securities on futures markets. They aid in the society's discovery of true market symmetry pricing.
- **Increasing liquidity:** Derivatives are based on a margin trading system where just a portion of the entire contract value is required to be paid as margin. Owing to the margin trading system, investors, speculators, hedgers, and other market participants are eager to take positions in the derivatives market, which increases liquidity and lowers transaction costs in the markets for underlying assets.
- **Investor assistance:** Derivatives help traders, fund managers, and investors create strategies that will allow them to allocate assets properly, boost returns, and accomplish other investment objectives.
- **Integration of price structure:** The derivatives trading in the market has shown that the derivatives have control over price variations, compress the price spread, integrate price structure at various points in time, and remove excesses and shortages in the markets.
- **Increasing the growth of the financial markets:** The development of the financial markets depends on the development of efficient trading tools that foster market competition. Several operators are drawn to share trading because it makes it easier to hedging or speculate on risk utilizing derivative instruments. Young investors, specialists, and other professionals are drawn to derivative products, which contribute to the development of the financial markets.
- **Brings perfection to the market:** Investors want a perfect return on their investment. The term "faultless return" refers to a controlled return, while the term "controlled return" refers to a return that is superior to others and that may be obtained by using a variety of futures and option contract tactics.

## F&O segment in NSE

The majority of derivatives users in India identify as hedgers, and Indian legislation largely restricts the use of derivatives to hedging activities. Investors may access a range of derivative products on the Indian stock market, and they can trade them for a number of different purposes. By establishing positions in derivatives markets that counteract prospective losses in the underlying or Spot market, it enables a trader to hedge some existing risk. Three stock market indexes and 116 different securities make up the underlying assets of the Indian stock market (NSE).

## **Futures Strategy:**

A future is a forward contract between two parties wherein the buyer agrees to purchase from the seller a predetermined number of stocks at a predetermined price at a later date. A future gives buyers and sellers the option to buy and sell a specific share at a predetermined price.

There are different types of futures based on the underlying asset.

**Index Future:** Futures contracts whose underlying value is based on a stock index are known as index futures.

**Stock Future:** Stock futures are contracts that allow you to purchase or sell a certain group of shares at a specific price on a specific date. The traders are bound to follow the conditions of the contract after they have purchased it.

## **Options strategy:**

Options are contracts that confer on the buyer of the contract certain rights (rights to buy or sell an asset) for a predetermined price on or before a pre-specified date. The buyer of the option has the right but not the obligation to exercise the option.

Options come in a variety of forms. Some Option contracts, which have been standardized, are traded on recognized exchanges. Other Option contracts exist that are traded "over-the-counter", i.e., a market where financial institutions and corporates trade directly with each other over the phone. Besides these, options also exist in an embedded form in several instruments.

They popular basic instruments/variables underlying options are:

- Equity – Index Options, Options on individual stocks, Employee Stock Options
- Interest rates – Bond Options, Interest rate Futures Options, Options embedded in bonds, caps & floors, etc.
- Foreign exchange – Plain vanilla calls and puts, barrier Options, various kinds of exotic Options
- Others – including commodities, weather, electricity, etc.

**Call option:** A call option gives the holder (buyer/ one who is long call), the right to buy specified quantity of the underlying asset at the strike price on or before expiration date. The seller (one who is short call) however, has the obligation to sell the underlying asset if the buyer of the call option decides to exercise his option to buy.

**Put option:** A Put option gives the holder (buyer/ one who is long Put), the right to sell specified quantity of the underlying asset at the strike price on or before a expiry date. The seller of the put option (one who is short Put) however, has the obligation to buy the underlying asset at the strike price if the buyer decides to exercise his option to sell.

**Index option:** A financial derivative contract called an index option derives its value from an underlying stock market index. The right to purchase or sell the underlying index at a given strike price is granted to the holder, but there is no duty to do so. Call and put options, which grant the holder the right to purchase and sell, are examples of index options. Index options are derivative contracts that simulate an index, which consists of a number of different component equities.

**Stock option:** An agreement between two parties known as a stock option grants the buyer the right to purchase or sell the underlying stocks at a fixed price and within a given time frame. An option writer is a person who sells stock options and is compensated with a premium from the contract that the customer purchases.

There are two types of stock options:

- Stock **call option**, which grants the purchaser the right but not the obligation to buy stock. A call option will increase in value when the underlying stock price rises.
- Stock **put option**, which grants the buyer the right to sell stock short. A put option will increase in value when the underlying stock price drops.

### 1.1 Performance of Futures Segment In NSE

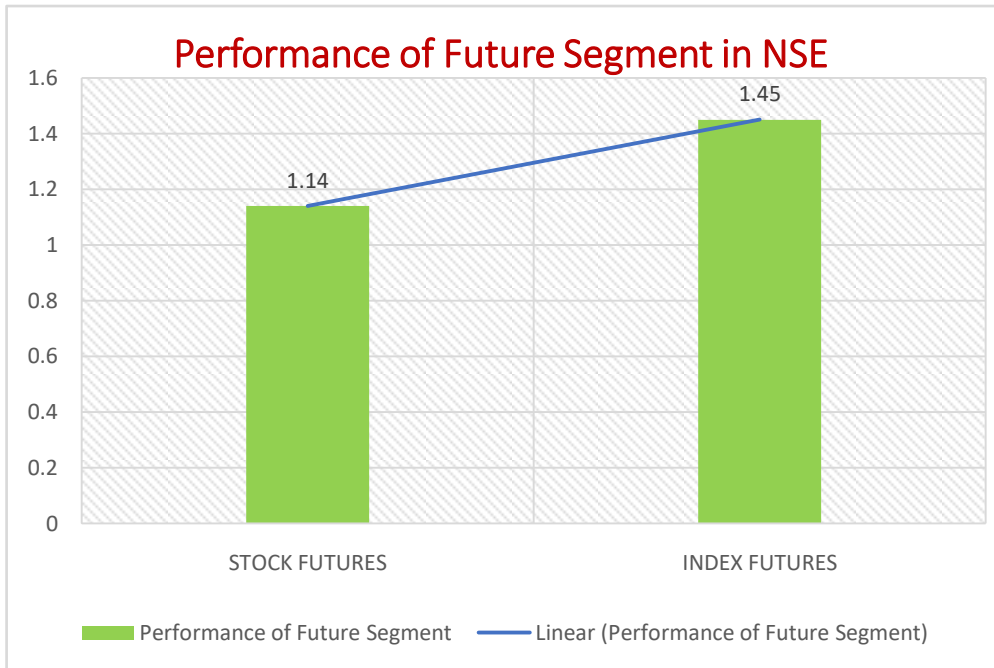
**Table – 1 Index futures:**

<b>YEAR</b>	<b>No. of Contracts</b>	<b>Turnover</b>	<b>% Change in Turnover</b>
2013-14	170414186	4949281.72	0
2014-15	237604741	8291766.27	68%
2015-16	234243967	7828606	-6%
2016-17	173860130	11129587.14	42%
2017-18	214758366	15597519.71	40%
2018-19	255533869	16147010.86	4%
2019-20	257380338	14919550.78	-8%
2020-21	252830922	18098365.39	21%
2021-22	265609687	21038937.56	16%
2022-23	262570891	17690886.09	-16%
<b>AVERAGE TURNOVER</b>			18%
<b>CAGR</b>			14%
<b>VARIANCE</b>			7%
<b>STD DEV</b>			26%
<b>CV</b>			1.45

**Table – 2**  
**Stock Futures**

Chart – 1

<b>YEAR</b>	<b>No. of Contracts</b>	<b>Turnover</b>	<b>% Change in Turnover</b>
2013-14	105252983	3083103.23	0
2014-15	129303044	4107215.2	33%
2015-16	140538674	4557113.64	11%
2016-17	66535070	4335940.78	-5%
2017-18	57674584	4810454.34	11%
2018-19	69824522	5568914.47	16%
2019-20	94777881	6701072.45	20%
2020-21	127599626	9047645.65	35%
2021-22	93662982	8429378.27	-7%
2022-23	95595919	8672168.63	3%
<b>AVERAGE TURNOVER</b>			13%
			<b>CAGR</b> 11%
			<b>VARIANCE</b> 2%
			<b>STD DEV</b> 15%
			<b>CO-EFFI</b> 1.14



Above the Table – 1, and Table – 2, shows the performance of derivative trading of both Index futures and stock futures at NSE in India. The performance has been measuring based on total turnover of ten years of the derivative trading that has calculating in terms of average, compound average growth rate (CAGR), variance, standard deviation and co-efficient of variation. Thus, the co-efficient variation of index futures trading has 1.14 and the co-efferent correlation of variation stock futures trading has 1.45. Hence, performance of Index futures trading is better performance than the stock futures trading in National Stock Exchange (NSE) in India.

### 1.2 Performance of Options Segment In NSE

**Table - 3**

#### Index options

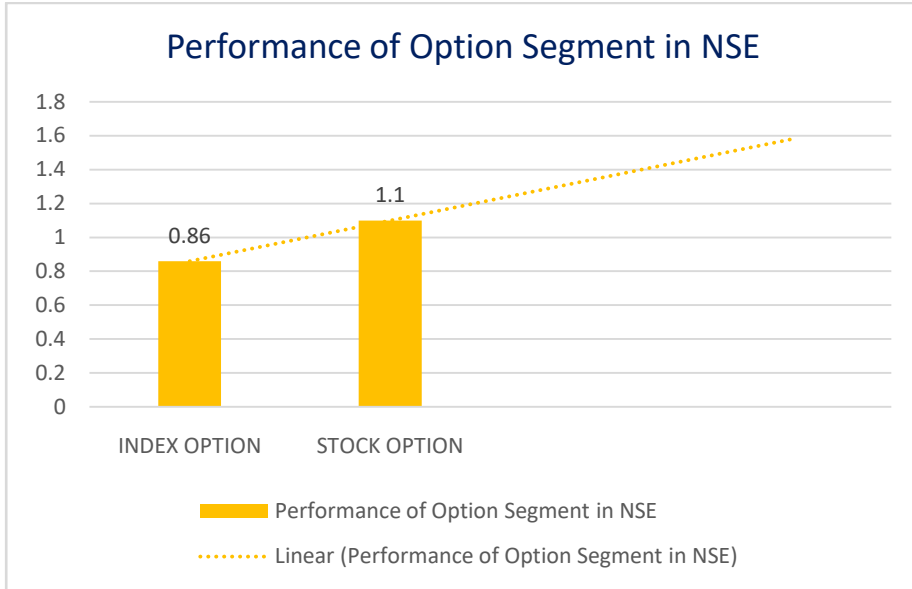
<b>YEAR</b>	<b>No. of Contracts</b>	<b>Turnover</b>	<b>% Change in Turnover</b>
2013-14	928565175	244090.71	0
2014-15	1378642863	265315.63	9%
2015-16	1623528486	351221.01	32%
2016-17	1067244916	350021.53	0%
2017-18	1515034222	460653.71	32%
2018-19	2652457487	654099.95	42%
2019-20	4586692584	1082514.05	65%
2020-21	7824035680	2629426.05	143%
2021-22	17623355691	5842329.82	122%
2022-23	35315852496	9720337.04	66%
<b>AVERAGE TURNOVER</b>			57%
<b>CAGR</b>			45%
<b>VARIANCE</b>			24%
<b>STD DEV</b>			49%
<b>CV</b>			0.86

**Table – 4**

<b>YEAR</b>	<b>No of Contracts</b>	<b>Turnover</b>	<b>% Change in Turnover</b>
2013-14	80174431	46428.41	0
2014-15	91479209	61732.59	33%
2015-16	100299174	61118.39	-1%
2016-17	92106012	95570.09	56%
2017-18	126411376	148217.5	55%
2018-19	186986542	200010.31	35%
2019-20	198377569	229034.28	15%
2020-21	330394648	579351.62	153%
2021-22	677512461	1038830.27	79%
2022-23	770244452	870256	-16%
<b>AVERAGE TURNOVER</b>			45%
<b>CAGR</b>			34%
<b>VARIANCE</b>			25%
<b>STD DEV</b>			50%
<b>CV</b>			1.10

## Stock options:

Chart – 2



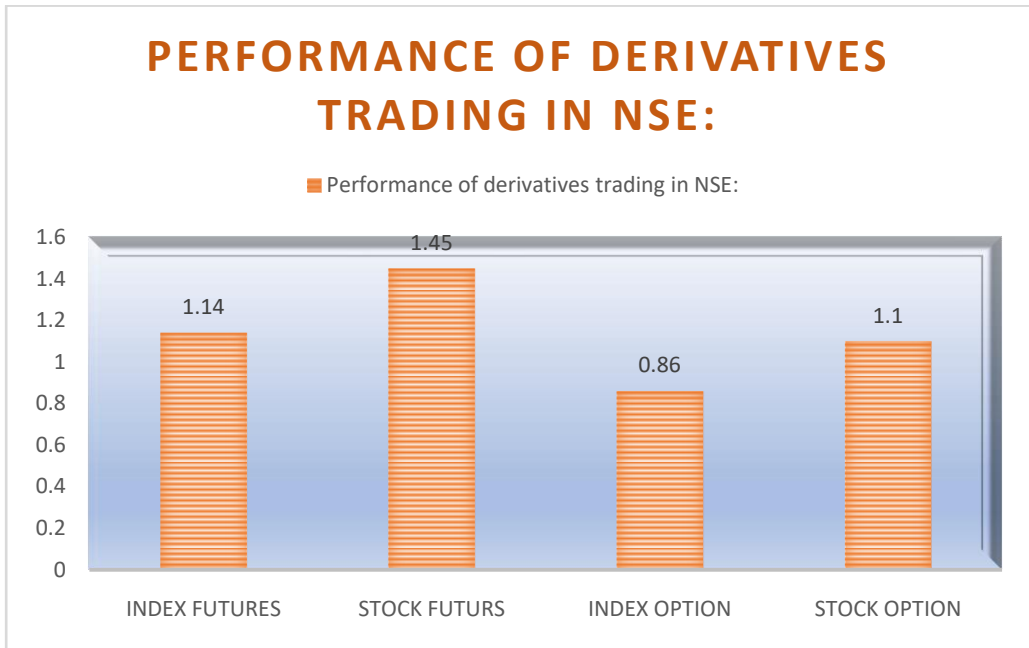
Performance of derivative trading for both index options and stock options at NSE in India is seen in Tables 3 and 4 above. Based on the cumulative turnover of 10 years of derivative trading, the performance has been calculated in terms of average, compound average growth rate (CAGR), variance, standard deviation, and coefficient of variation. As a result, the co-efficient correlation for trading index options is 0.86, whereas the co-efferent correlation for trading stock options is 1.10. As a result, the performance of trading in Index options trading has a better performance to trading in Stock options on National Stock Exchange (NSE) of India.

### 8.3. Performance of derivatives trading in NSE

Table - 5

TOOLS	INDEX FUTURES	STOCK FUTURES	INDEX OPTION	STOCK OPTION
<b>AVERAGE</b>	13%	18%	57%	45%
<b>CAGR</b>	11%	14%	45%	34%
<b>VARIANCE</b>	2%	7%	24%	25%
<b>STDEV</b>	15%	26%	49%	50%
<b>CV</b>	1.14	1.45	0.86	1.10

**Chart - 3**



Above the information shows table – 5 considering the data of derivative trading of National Stock Exchange in India and the performance from 2013-2022. The whole data has a total derivative trading contracts of index Options, Stock Options Index Futures and Stock futures of NSE that have demonstrate performance between the derivative products. We analyzed and calculated the performance as in statistical tool of co-efficient of variation. Although, compare the performance each derivative trading products as index futures, stock futures, index options and stock options. In the table shows the co-efficient of variation each derivative products as a performance of NSE in India. Hence, the Index options has 0.86 co-efficient of variation so at the stage was a good performance comper to other derivative product of NSE and also the Sock Option having a 1.10 co-efficient of variation which becomes second place performance among them with additionally the Index Futures has 1.14 co-efficient of variation, Index Stock options has 1.45 co-efficient of variation. Final can be concluding this the derivative trading of NSE in the market were considering the performance of each products those products such as Index Options, Index Stock, Index Futures and Stock futures having 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> are performance ranks respectively.

## **2. Conclusion**

Financial derivative market gives vital channels for investment via modern technique and innovative products for investment. All these instruments protect the investment for investors who are investing in and traded along with hedging strategies at National Exchange market (NSE) in India. Futures and Option Strategies products are minimizing the risk of investing funds of investors. Thus, the Stock market needs the proper regulatory framework which helps to investors issue and avoiding, operate transparency in trading system and market integrity. Also, SEBI provides the quality market as cost efficient, stability of price and investigate the price. The futures and options segments of NSE are performed well deserved and played vital significant role for stock market in India.



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**ATMANIRBHARTA IN PEDAGOGY:  
AN EXPERIENCE OF BUILDING REGIONAL CASES**

**<sup>1</sup> Prof Ramakant Kulkarni, <sup>2</sup> Prof Bharati Badiger**

<sup>1</sup>Chetan Business School, <sup>2</sup> Chetan College of Commerce,

<sup>1,2</sup> Sri Nagar, Unkal, Hubli, Karnataka, India

Email: ramakantkve@yahoo.co.in

**Abstract:** *There are multiple pedagogical tools or methods teachers rely up on to handle the classes. These methods cater to the different ways such as listening, seeing, and doing the students learn. The pedagogy is the delivery system which requires further support of the material or content. The contents are drawn from different sources like books, articles, papers, news papers, electronic material like videos and you tube etc. Teachers find their own comfort level with the material sources. Developing own material is always a choice teachers have, that calls for the teachers to work on. One of the methods or pedagogy is case method of teaching in management subjects. The cases are written by teachers and made available either free as a part of text book supplement or independently at cost. The comfort level of students and teachers to such cases on quite a few occasions is not very encouraging. This is particularly true to Regional B Schools (RBS). RBS have their own constraints which hinders the case method of teaching. In order to generate the interest in case method the regional cases being dealt with in the class is a way forward. Teachers could take up the writing of regional cases due to the advantage they have of local connect and thereby develop their own material for the class in the form of cases. The paper makes a submission that regional cases are possible and can be successfully written. The author reflects up on his case writing journey and brings out the experience of cases he has written and developed the material. The cases also generate the spinoff effects which adds to the self development for faculty. The Atmanirbharta is developed when the faculty start writing cases because the knowledge and control the faculty gets makes him/her confident apart from the feeling of having achieved something. The constraints that one faces in RBS could be overcome by taking to regional cases and enhance the image of self and the B School. Besides giving the broad conceptual back ground on cases and need for case writing it discusses the constraints and the experience of writing the cases in spite of the constraints and the spinoff achieved. The objective of the paper is to generate the interest in regional case writing for faculty in RBS and achieve the self reliance. The methodology is the reflection on case writing experience gained and the achievement by way of cases brought out.*

**Keywords:** Case, Constraints, RBS, Case writer, Spinoff,

**Introduction:**

Pedagogy is the method of teaching adopted by the teachers to deliver the knowledge, content, information to the students in the class. The three methods usually adopted by the teachers are 'speaking' wherein the teachers lectures the students and students 'listen', the next one is 'seeing' in which the teachers make the presentation by way of PPT/ usage of black or green board to write text or numbers for students to see and understand and the third one is the 'doing' in which the students are made work on assignments, projects, group activities, simulations in the class or outside the class under the guidance of the teacher.

The teachers more often than not derive the content by referring to the text books, notes made using the books, PPTs made using the books, the available resources in the form of electronic means such as youtube, readymade PPTs, the research articles and papers, news paper items, the contents provided by the colleagues etc. These contents are used as it is or by modifying and refining to suit the class needs. By and large teachers relying on such available material lead them to the dependency or convenience and first choice source. The younger teachers who have just started their teaching career find such material quite helpful and confidence builder.

The teachers engaged in teaching business management subjects do have the same tendency, however the pedagogical tools used have a wide array of options such as lectures, presentation by students, group discussion, role plays, class projects, field work, class assignments both individual or group, simulations, cases and case studies.

The case method of learning/teaching is one of the powerful methods in the business management classes. The teachers using the case method get the cases available at the end of the chapter in the books, cases made available in open market at cost, cases provided by the colleagues and such other sources. The management being the practice oriented subject there is a strong connect between the field and the class.

The connect can be established by taking the students to the field or getting the practicing executive to the class to share the experience. Both of these two options have limitations. It is not possible to take students to the field every time nor can the practicing executive be brought on regular basis. Consistency, scheduling, limitations of time, limitations of money, a new situation developing in the executive's company, the executive himself/herself leaving the company can become some of the limitations on getting the practicing executive to the class.

The limitation can be overcome by bringing the field to the class by way of a documented material of the field in the form of a case.

The present paper makes an attempt to stress upon teachers writing the cases for themselves and using them in the class and thereby become Atmanirbhar.

### **Objectives of the study:**

**The objective** of the paper is to impress upon the teachers that cases can be written by teachers taking the local issues/organizations and thereby to bring the connect with local organization for the better appreciation by the students instead of the alien situations/ organizations.

### **Research Methodology:**

**The methodology** used is the reflection of the first hand experience of the author in finding opportunity and writing regional cases.

The paper covers case what is all about, why write cases, the requirements of case writing, constraints faced, case eco system, some dos and don'ts, competency required for case writing and how to build the same, reflection on writing regional cases writing, advantages of writing regional cases writing and conclusion.

## **Case: What is all about it?**

Case as a method of teaching has a history of 100 years. The first case 'General Shoe Company' was published in 1921. It was a single page case. Case method got institutionalized in 1922. In HBS students study about 500 cases in two year duration. Faculty bring out 225 cases each year. Each case takes about 160 hours of work to write. It is revenue generating area. HBS sold 15.4 million cases globally and earned USD 59 million in FY 2021. In Indian B Schools the students are taught cases. Faculty bring out cases. The case is a method of learning by active self involvement in real life situations to become KASH rich. KASH stands for knowledge, attitude, skills and habit (repetition as a regular exercise) Case is the instrument to facilitate involvement in description of a real life decision making situation demanding involvement of the student in a role or a set of roles. Case brings the field to the class instead of the class going to the field. Case is the instrument to facilitate involvement. A Case therefore brings the field to the class instead of the class going to the field. It is achieved by a representative of the learner goes to the field, collects the information, gets clearance to use it in the class and makes it available to the students and instructors.

### **Why write cases, the requirements of case writing.**

The need for case writing can be one or the combination of few factors such as personal curiosity in case, desire and requirement to build new capability and career enhancement, the subjects needs of the cases, it could be due to the need of the institution for ranking, It could also be the great feeling of nicety to be a part of case writer group.

The requirements of case writing comprise of commitment of time, the monetary support, institution support and case provider's support.

The demands on the time stem from the case writer's need to visit the field, spend time with the case provider, document the information collected and getting it vetted, drafting the case, revising the draft and finalizing the draft as also the library work in terms of required supporting material. Here in this paper it is mentioned that on an average about 160 hours of time is spent in case writing. The case writer has to do case writing work along with the other responsibility of taking classes, attending to the academic administrative work and institute's administrative work depending upon the position held in the institute. Sometimes therefore the case writing receives the optional preference over the pressing assignments in the institute. This calls for the personal motivation and firm commitment of time.

The monetary support in the form of expenses on travel, stay and stationery forms a major portion.

The institution's support hence becomes necessary for case writer for giving time and monetary resources. Where the clear policy guidelines are laid down the case writer finds it easy to seek the institution's support but if the policy guidelines are not laid down this becomes a major issue.

The important part of the process is the support from the case providers. The case providers are the organizations on whom the case writer intends to write the case. Information being the key for a good case the attitude of the organization matters a lot. In conservative organizations information would hard to come by and even in liberal organizations the cooperation of the people who are to share the information becomes a major hurdle to overcome.

Simply some organizations may not entertain the case writer's request to write a case on them. Inability of the case writer to provide a convincing answer to the organization on the question of 'What is there for Organization' may scuttle the case writing. With all the trouble when the case is ready the organization may not clear the case for teaching.

### **Constraints faced.**

Some of the constraints mentioned in the earlier paragraph are by and large faced by the case writers all over the places but the regional business schools have their own constraints. The experience of the author of over two decades in regional business schools is narrated herewith

**1) Some of the Regional B Schools (RBS)** are headed by the retired principals of the group colleges. These people particularly have had a very long tenure in the group and considered the loyal people. Post retirement they are accommodated in the B schools these have just started or are in need of the head of the department. The group finds them economically viable in terms of the compensation as well as the retired people find such assignment as a source of additional income helping them to match the pre-retirement salary. However their lack of exposure and experience in B school requirements rarely gives the apperception to encourage the faculty to take to case writing or any kind of research. In an environment they had grown during their service period makes them concentrate on class schedules and completion of syllabus. If that is done with no issues the B school is run effectively. As long as the admissions are done getting the sanctioned seats the job is well done. The limited view of the head of the RBS brings the conservatism in the working. The invitations for any seminars/workshops are not regularly shared with the faculty because that amounts to out go of money and disruptions in class schedules.

**2) The Centralized Financial management.** The financial freedom given to the HOD/head is limited as a result almost all the sanctions get referred to the main office therefore there is the likely hood of delay and back and forth movement of papers seeking the clarification resulting into frustration of the faculty. The higher frequency of referral by the HOD/head results into embarrassing situation to the HOD/head. This adds to the HOD/head taking defensive posture when the faculty ask for permission.

**3) Most of the RBS run on tight budget** due to the competitive fees charged and the revenue is allocated most of the time to payment of salaries and running expenses. The earmarked budget to such heads of expenses like faculty improvement initiative turn out to be very meager as a result per head allocation on faculty gets further smaller. Therefore the tendency in the faculty gets developed that to choose the program they feel is fine. The rationing usually puts the case efforts on the last in the priority because of project length and cost.

**4) The faculty exposure to case method** of teaching is limited because the most often used method is lecture method and the students who by and large are fresh graduates from the under graduate courses find it difficult to comprehend and adjust to the case method of learning due to the lack of exposure in the undergraduate classes. Further most of the cases listed in the text books at the end of the chapter from the foreign author's books use their local companies that further adds to the difficulty for the students to find the method useful. The usage of foreign market setting and situation/context in terms of habits, culture, behavior all make things difficult for the students to develop the liking.

Even the younger faculty who are at the beginning of their teaching career find the cases not very conducive for class room teaching.

**5) Further the reading habits among the students** which is waning the long cases running into pages find little appeal among the students. By the time the reading reaches the last page in the case what is narrated in the first or earlier pages is lost sight off. The lack of experience of the business situation more particularly the students coming from non-business education or business background constrains the students' ability to connect the dots and take a comprehensive view of the situation as a result the big case are not liked.

**6) The faculty focus on syllabus completion** occupies the faculty time. Anything that is not covered as a part of syllabus, the students tend to underrate the faculty. The cultural shift of self learning that is called for in the post graduate level is found missing among the students hence the syllabus completion becomes a major thrust area for faculty.

**7) The case method needs the ability to conceptualize** many things from the abstract which is not very obvious in the situations narrated in the case. This puts the onus on the teacher to explain the concepts again and again. The dependency on the teacher grows and students feel it is more a teacher driven class rather than a participative class.

**8) The cases that are available** as listed by the various B schools like IIMs and HBS are not very affordable and buying one piece is not enough because the photocopying is not permitted. The condition is that buyer has to buy as many copies as the number of students the teacher has in a class. This leaves no option but to resort to unfair practice on the part of RBS or for that matter any buying institute to get multiple copies done overlooking the prescribed condition of 'not for photocopying' or desist from buying at all.

### **The Regional Cases**

All these and such constraints make a strong case for writing a regional case and become self reliant. The advantage of writing regional cases can be quite a few.

**1) The students get the feel of the organization** because they would have heard or seen the organization in their area. The B school would have taken them to that organization on a educational visit or the executive from the organization would have come and shared the experience or the students would have done the summer project in that organization. They could have collected sponsorship for the event. The organization's products and other advertising hoardings may have been on display in the city. The students could be taken by the teacher to show the same before the case is taken up for discussion in the class. Parents or relatives of the students could have been working in the organization or would have worked earlier. Due to all these possibilities the connect can easily be established between the students and the organization.

**2) The regional cases also help** case writers to ration the time and resources suitably. The main resource they find difficult to get is the monetary support. The local organizations take the pressure off the case writer because he/she could go the organization using the own conveyance and the accommodation expenses are not involved. Further the time one needs to spend in visiting the organization can be suitably planned. The case writer can get time permission from his B School with least difficulty as he/she needs to convince the HOD/head and get started.

**3) This brings to the main question** how to write the regional cases. The author makes an attempt to share his experience of writing the regional cases.

**A) Case is a real life situation** brought to the class for participative learning. The case writing needs few basic competencies to be built before the case writing is taken up. The important competency is to bring the class room connect between the development taken place in the organization or environment and the class because the outcome of case learning is to build the attitude, knowledge and skills among the students of handling the situation or decision making ability when they get into the organization.

Therefore the taking or attending few sessions to get the hang of competency in case writing builds the confidence in start-up case writer. The field work, information collection and documentation, putting the information by creating the class room connect and sequencing the content in manner that brings in discussion in the class makes a case a good product. Few sessions are done free by some B schools which could help a lot.

**B) Working with a senior case writer** from other or own B school experienced faculty is a good way of getting started. In order to achieve this the beginner case writer needs to work at the pace of the senior and develop the good rapport in terms of the understanding of the subject and wave length of thinking, keeping the ego aside and participate as a student learner. A regular discussion with senior is a good idea and showing the eagerness to learn helps a great deal. A passion to learn and carry on the revisions until it is cleared by the senior adds lot of value in case writing.

Once the case writer gets in, there is always the lookout for the first opportunity.

### **Experience of Author**

The experience of the author has it that opportunities are around, and one has to spot it and take it up.

**1) A neighborhood grocery stores** which operated in 8 x 10 ft space, turned out to be a case candidate. Though it appears what can be case in that yet two Cases emerged from that stores and adding to the success one case out of that went on to secure the best case award in national level case conference with cash prize.

How the case emerged needs a mention. The author had been the regular customer of the store for eleven years and had seen the stores from close quarters. During that time, stores changed hands from first owner to the second owner. When the author got into conversation with the second owner informally, the revelations turned out to be a rich material for the case. The case that was made out was for the second owner having to take a decision to acquire or not to acquire a running, well established grocery store. The case fitted into M & A. The second case fitted into post acquisition performance review and strategy for future growth.

**2) Having tested the first success,** the case writer was looking for the next opportunity. On a visit to local religious Organization to perform the rituals that organization offered as a regular services on mass scale, a keen observation kindled an idea of studying how the organization managed to perform the rituals on mass scale in a scientifically and flawlessly brought out a case in operations management. The field work was done by engaging with the head and other members of the organization in conversation brought out in all three cases.



Besides one in operations management, the other two on sustenance issues in traditional religious vertically integrated organization of nine decades of existence. This organization, though not a business organization, faced the issue of peak demand management. They had devised their own way of handling the situation. For all the attendees it was a regular situation to cope with but for the case writer the curiosity of how to bring out the learning opportunity from the situation as a participant observer made the difference and a case situation was spotted. There was the classroom connect, which the case writer could see. While the operations and peak demand were obvious choices for the case, the field work added one more case. The curiosity of how the organization sustained for nine decades brought out the case on sustenance and strategy for future.

**3) These cases were possible due to the rapport** the case writer developed and pursued with case providers using the personal relations. The field work was informal talking at the convenience of the case providers. Meeting the concerned and discussing and seeking the information both from the main people and the connected people like family members, friends. There was no formal proposal and sanction in the work taken up and carried out.

**4) While the individual rapport based cases** were those, an **institute provided opportunity** could also come up if the case writer is desirous.

In the annual foundation day the institute honored a very respectable eye doctor who was honored with Padmashri, the fourth highest civilian award of the country. The doctor while receiving the institute's honor in a glittering ceremony shared his story of building the hospital from one person to a multi specialty eye hospital. The case writer was involved in organizing the ceremony and had approached the doctor for ceremony related preparatory work like inviting, getting his biodata, hospitality etc. The story narrated by the doctor intrigued the case writer to know how the doctor built the organization having seen and heard about the hospital and its reputation.

Much before the doctor could relegate the award to the routine by adding to his museum of scores of awards the case writer made a visit requesting for the permission for case writing on his hospital. The permission was obtained. The project was formalized by submitting the formal proposal to the head of the hospital because the awardee doctor had taken retirement and the hospital was run by next generation people from the family.

In a structured series of interaction with the doctor and all the senior members of the management the field work was taken up, which required eleven meetings and nine month time. Each time the field notes made were put into the draft and sent back to the member who was interviewed to get the content vetted to remove the gaps and additions and member suggested deletion. Visits were made to the hospital to study the daily working pattern and practices, the operations theatres and work stations. Two rounds of interactions were done with the awardee doctor to hear him who took his time to speak. On completion of the project a full length presentation was done before the senior members and invited staff of the hospital in the presence of awardee doctor. The project yielded four cases in entrepreneurship and strategy. The local cases for the class. In the process the case writer could good amount of insights into the eye care areas both on technical and social side.

**5) The spinoff effect of the eye care cases** helped to study the eye care sector and few other doctors who did a yeoman service in eye care. This sector study created some more interest in the few eye care doctors and that helped to bring out four other cases in eye care. Those four cases were based on secondary data collected from available sources.

**6) In all eight cases in eye care** and four in informal religious organization and two cases on an unsung kirana stores filed the library of cases in the institute giving a material in wide spectrum of subjects to deal with cases written on local region organizations.

**7) The confidence of the case writer** gave him an idea of conducting a one day FDP on case writing for beginners as institute program thereby reaching out to the thirty five aspirants and two FDPs on invitation as resources persons in other local institutes of management reaching out to another set of in all 100 aspirants.

**8) Leveraging the skills** and knowledge the case writer could participate and present ten papers and cases in the national conferences in span of one year.

### **Conclusion:**

In conclusions it can be stated that regional case writing is possible. The options before the interested case writer is to keep exploring the opportunities and catch them. Pursue the matter and keep an eye on how and when it can be done. The never give up attitude gets developed slowly and once it gets in there is no looking back. The personal rapport with local organizations makes the job easy and affordable and convenient. The much felt gap of lack of local cases for RBS is filled by the contribution of such efforts.

Apart from the contribution to case library the acceptability of cases by the students in RBS gets increased. Further students feel nice to see their teacher has written a case which is being discussed in the class. Since case writer is dealing case written by him/her the grip on the case facts and real world outcome can be connected. As organization continue to operate the curiosity of students 'what happened next' can be narrated and verified as the organization is there very much working and one can see the developments.

The cases can be given to the colleagues in the institute to refer in their subjects as the cases are positioned in different subjects by the case writer. The problem of buying the cases at cost is taken care and savings effected to the RBS.

The cases can be listed for sale by posting on the website of RBS. In the institute accreditation the points can be claimed. The younger faculty can be encouraged and developed as case writer by joint projects on case writing. The FDPs can be arranged on case writing and community of local case writers could be built slowly.

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## CORPORATE GOVERNANCE AND CSR: ISSUES IN CORPORATE GOVERNANCE

<sup>1</sup> Mr. Bharath . S

<sup>1</sup>Research Scholar & Assistant Professor,

<sup>1</sup>, Department of Studies in Commerce

<sup>1</sup> Davangere University, Davangere, Karnataka, India

Mail Id: bharathgopa66@gmail.com

**Abstract:** *The framework of rules and practices by which a board of directors ensures accountability, fairness and transparency in companies' relationship with its stakeholders (financiers, customers, management, employees, government and community).*

*Explicitly and implicitly contracts between the company and stakeholders for distribution of responsibility. Procedures for reconciling the conflicting interest of stakeholders. Procedure for proper supervision control and information flows to serve as a system of check and balances. The company shall provide timely disclosure of credible information on all the important facts related to financial conditions. It acknowledges the right of all interest parties envisaged by the legislation in force.*

*Corporate governance affects not only who controls publicly traded corporations and for what purpose but also the allocation of risks and returns from the firm's activities among the various participants in the firm, including stockholders and managers as well as creditors, employees, customers, and even communities.*

**Keywords:** *Responsibility, transparency, stakeholders, employees, supervision, INED's: Independent non executive directors.*

### INTRODUCTION

A corporation is a congregation of various stakeholders, namely, customers, employees, investors, vendor partners, government and society. A corporation should be fair and transparent to its stakeholders in all its transactions. This has become imperative in today's globalized business world where corporations need to access global pools of capital, need to attract and retain the best human capital from various parts of the world, need to partner with vendors on mega collaborations and need to live in harmony with the community. Unless a corporation embraces and demonstrates ethical conduct, it will not be able to succeed.

Governance of public corporations continues to move in a more shareholder-centric direction. This is evidenced by the increasing corporate influence of shareholder engagement and activism, and shareholder proposals and votes. This trend is linked to the concentration of ownership in public and private pension funds and other institutional investors over the past 25 years, and has gained support from various federal legislative and regulatory initiatives. Most recently, it has been driven by the rise in hedge fund activism.

It remains unclear whether, over the long term, greater shareholder influence will prove beneficial for shareholders, corporations and the economy. In the near term, however, there is reason to question whether shareholder influence is the panacea that some posited, or whether the current focus on shareholder value and investor protection is at the expense of other values that are central to the sustainability of healthy corporations.

## **NEED FOR THE STUDY:**

Indian companies are crucial for attaining the better position in the global market by adopting the actual concept of corporate governance. Corporate governance is a worldwide phenomenon. Corporate Governance is the system of rules, practices and processes by which a company is directed and controlled. This research paper focuses on the finding & reviewing of the issues and challenges faced by corporate governance in India.

## **OBJECTIVES OF THE STUDY:**

1. To study the Issues and Challenges of corporate governance in India.
2. To implement corporate governance in Indians companies.
3. To review different international models of corporate governance from developed and developing economies.
4. To make policy suggestions and recommendations based on alternative model for India.

## **RESEARCH METHODOLOGY:**

Keeping in view the objectives of this study , research design was adopted to have greater accuracy and in depth analysis of the research study. Available secondary data was extensively used for the study. The investigator procures the required data through secondary survey method. Different news articles, Books and Web were used which were enumerated and recorded.

## **KEY FINDINGS OF THE STUDY**

The causes of poor corporate governance in Indian companies are ineffectiveness of independent non executive directors (INED's) in Indian companies, a lack of understanding, inadequately trained personnel, coverage, policy etc. further adds to the reach and effectiveness of corporate governance programs.

## **IMPLICATIONS OF THE STUDY**

### **1. Value based corporate culture**

For any organization to run in effective way, it needs to have certain ethics, values. Long run business needs to have based corporate culture. Value based corporate culture is good practice for corporate governance. It is a set of beliefs, ethics, principles which are inviolable. It can be a motto i.e. A short phrase which is unique and helps in running organization, there can be vision i.e. dream to be fulfilled, mission and purpose, objective, goal, target.

### **2. Holistic view**

This holistic view is more or less godly, religious attitude which helps in running organization. It is not easier to adopt it, it needs special efforts and once adopted it leads to developing qualities of nobility, tolerance and empathy.

### **3. Compliance with laws**

Those companies which really need progress, have high ethical values and need to run long run business they abide and comply with laws of Securities Exchange Board of India (SEBI), Foreign Exchange Regulation Act, Competition Act 2002, Cyber Laws, Banking Laws etc.

#### **4. Disclosure, transparency, and accountability**

Disclosure, transparency and accountability are important aspect for good governance. Timely and accurate information should be disclosed on the matters like the financial position, performance etc. Transparency is needed in order that government has faith in corporate bodies and consequently it has reduced corporate tax rates from 30% today as against 97% during the late 1970s. Transparency is needed towards corporate bodies so that due to tremendous competition in the market place the customers having choices don't shift to other corporate bodies.

#### **5. Corporate Governance and Human Resource Management**

For any corporate body, the employees and staff are just like family. For a company to be perfect the role of Human Resource Management becomes very vital, they both are directly linked. Every individual should be treated with individual respect, his achievements should be recognized. Each individual staff and employee should be given best opportunities to prove their worth and these can be done by Human Resource Department. Thus in Corporate Governance, Human Resource has a great role.

#### **6. Innovation**

Every Corporate body needs to take risk of innovation i.e. innovation in products, in services and it plays a pivotal role in corporate governance.

#### **7. Necessity of Judicial Reform**

There is necessity of judicial reform for a good economy and also in today's changing time of globalization and liberalization. Our judicial system though having performed salutary role all these years, certainly are becoming obsolete and outdated over the years. The delay in judiciary is due to several interests involved in it. But then with changing scenario and fast growing competition, the judiciary needs to bring reforms accordingly. It needs to speedily resolve disputes in cost effective manner.

#### **SUGGESTIONS**

- Skill and care duty is adopted to enhance the survival of any organization through the board of directors. If a person feels that he/she does not have the necessary skills and ability that can be reasonably expected from a director, he/she should not accept. Therefore, to remove this deficiency, professional and qualified INED's should be appointed.
- To handle the issue of ineffective boards in which the chairman and executive directors' involvement is more than other members, other types of board formation can be effective. Types such as two tier boards in which INED's can play important role. The upper tier should be comprises of INEDs mostly.
- Proper trainings should be incorporated for INED's when they join the company/organization. Induction should comprise of good orientation programs for directors especially INEDs which will enable them to get all the relevant information of the organization.

- It is generally acknowledged that implementation of the Code has resulted in greater financial discipline, uniform presentation of financial results and an organized and more disciplined corporate culture which has, to a great extent, bridged the gap between various stakeholders, the Board of Directors and the Auditors. Therefore, proper implementation of code of corporate governance is important for effective governance. It is the responsibility of the board to make sure its practical implementation.
- The newly appointed directors and employees should be asked to sign the Company's Business Ethics statement at the time of their appointment.
- The issue of fee charged by the External Auditors is also a big issue, so that fee must be capped by some reasonable amount.
- The audit committee should be comprised of the Finance literate members.

## **CONCLUSION**

The concept of corporate governance hinges on total transparency, integrity and accountability of the management and the board of directors. The importance of Corporate Governance lies in its contribution both to business prosperity and to accountability. In the age of globalization, global competition, good corporate governance facilitate as a great tool for corporate bodies. It existed from Vedic times as the Highest standards in Arthashastra to today's set of ethics, principles, rules, regulations, values, morals, thinking, laws etc as good corporate governance. Corporate governance should also have approach of holistic view, value based governance, should be committed towards corporate social uplift and social responsibility and environment protection. It also involves creative, generative and positive things that add value to the various stakeholders that are served as customers. Be it finance, taxation, banking or legal framework each and every place requires good corporate governance. Corporate Governance is a means not an end, Corporate Excellence should be the end. Once, the good Corporate Governance is achieved and the Indian Corporate Body will shine to outshine the whole world.

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## **ATMA NIRBHAR BHARAT'S SUPPORT FOR RURAL WOMEN'S ENTREPRENEURSHIP**

**<sup>1</sup> Ms. Shweta L Badiger, <sup>2</sup> Prof. D M Madari**

<sup>1</sup>Research Scholar, <sup>2</sup>Professor

<sup>1, 2</sup> Dept of Economics

<sup>1, 2</sup> Karnataka State Akkamahadevi Women's University,  
Vijayapura, Karnataka, India

Email: shwetabadiger278@gmail.com,<sup>2</sup> Madaridm@gmail.com

**Abstract:** *Rural women entrepreneurship has been a domain enchanting academicians and government. Being a significant demographic portion, Rrural women entrepreneurship empowerment is important contributor for economic growth. Women constitute about 50% of total population but about only 14% of women entrepreneurs are playing an evidentiary active role to boost economic and social stability. The Indian Government had a remarkable impact on empowering rural women entrepreneurs by ensuring social equality and their ability to live within the framework of Atma Nirbhar Bharat (ANB).*

**Keywords:** Atma Nirbhar Bharat, Rural women entrepreneurship, Rural India and Strategies.

*“One motivation for women’s empowerment is basic fairness and decency. Young girls should have the exact same opportunities that boys do to lead full and productive lives. The empowerment of women is smart economics.”*

**-Robert Zoellick.**

### **Introduction:**

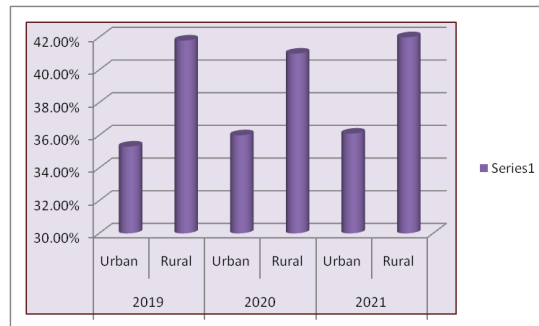
Gandhiji made it quite clear that villages are the foundation of the Indian economy. Entrepreneurship is one of the most important factors to boost economic and social development. The entrepreneurs are the key persons to promote economic and social growth and change. Entrepreneur is the person impulse something new, organize production, tackle risks and manage economic uncertainty involved running an enterprise<sup>1</sup>. Entrepreneurship is only the solution which helps to generate employment within the social system. This is much beneficial for rural women as allows them to improve family income while taking care of their own home and livestock oriented duties and also crews numerous resources to take up enterprises<sup>2</sup>. Hence she can be efficiently agreed to both the production and process oriented enterprises. Rural women entrepreneurship enriches financial independence and self-esteem of women. Rural women entrepreneurs can be significant changing agents in women empowerment simultaneously building a self-relevant area<sup>3</sup>.



❖ **Women workforce participation (2019-2021)**

Year	Area	Percentage
2019	Urban	34.31%
	Rural	41.8%
2020	Urban	36%
	Rural	41%
2021	Urban	36.4%
	Rural	42%

Source: Bain & Co. Report<sup>4</sup>(March 23, 2022)



With above table and diagram we can identify that working force of women in rural area is more than the women working force in urban area.

Women entrepreneurship is an important part of human resources and economic development<sup>5</sup>. Rural India is envisioned as a resource in the New India that offers opportunities to accelerate economic growth and achieve Sustainable Development Goals. Recently, there have been programmes aimed at the welfare and emancipation of rural women<sup>6</sup>. Such plans include:

**Review of literature:**

**Atma nirbhar bharat:** During pandemic it was experienced extensive disruption in socio-economic sphere. Due to the interdependence and complex nature of trade it was felt that various sources of key commodities or strategic components recognised and there must be protocols to stimulate alternative sources in short notice. On 12 May 2020 The Prime Minister Shri Narendra Modi announced an exceptional comprehensive economic package to fight the COVID-19 pandemic and to bounce back of India call as Atma Nirbhar Bharat or Self-reliant India Movement. ANB outlined five pillars- Economy, Infrastructure, System, Vibrant demography and Demand<sup>7</sup>.

**Research Methodology:**

The current study is based on an abundance of secondary material that was gathered from numerous publications, including books, periodicals, newspapers, and websites that are prominently acknowledged in the bibliography.

### **Objectives of the study:**

- To study rural women entrepreneurship concept.
- To assess the synergy of Atma Nirbhar Bharat and Rural Women Entrepreneurship development schemes.
- To identify Constraints of Rural women Entrepreneurship.
- To obtain suggestions to develop rural women entrepreneurship.

Rural women entrepreneurs will be crucial in achieving India's ambitious aim of a USD 5 trillion economy by 2024-2025 and the UN Millennium Goals by 2030<sup>6</sup>.

### **Concept of entrepreneurship:**

An individual who forms an organisation for commercial purpose and who is a capitalist (Adam Smith, 1776)<sup>8</sup>. Entrepreneurship is the founding of a private enterprise (John Stuart Mill, 1848)<sup>9</sup>. An entrepreneur is willing and able to convert a new idea or invention into a successful innovation (Schumpeter, 1942)<sup>10</sup>. An entrepreneur is the one who always searches for changes, responds to it and exploits it as an opportunity (Peter F Ducker, 1985)<sup>10</sup>. Entrepreneurial behaviour is influenced by individual, situational, psychological, social and experimental factors (Rao, 1985)<sup>10</sup>. Woman entrepreneurship is economic development of any nation has been recognized for its significant contribution (Aparna, 2012)<sup>11</sup>. The term Women Entrepreneurship refers as act of business ownership and business creation that empower women economically, and socially<sup>11</sup>. Development of the society is openly related with the income generation capability and key income generation activity of women population. (Jayasree Datta & Debnath, 2016)<sup>12</sup>

### **Governmental actions:**

India is well known for its gender disparity. The government is making every effort to improve the status of women. There are numerous such well-intentioned programmes that have been established, but the effectiveness and style of implementation will determine the final outcomes<sup>6</sup>.

● **Beti Bachao, Beti Padhao programme:** Which aims to empower women in the field of women's education.

● **The Sukanya Samriddhi Account**, designed to assist families in setting aside money for their daughters, is part of the programme, which debuted in January 2015, is an expansion of the first described scheme. In addition to making efforts to preserve more and more girls, the government is also committed to providing them with a brighter future and economic security. India is a country where society is more progressive, despite the fact that women are revered in all religions<sup>6</sup>.

● **One-stop centers:** Are designed to provide quick access for women who are victims of domestic violence or abuse and require help. Women are suffering from exploitation, torture, and abuse all around us, and these issues must be addressed. Any type of abuse might be used, including economic, psychological, sexual, mental, or physical assault. Giving citizens a just and secure environment in which to thrive is the main duty of every government. The One Stop Centre Scheme was launched in April 2015 with the intention of advancing women<sup>6</sup>.

● **Pradhan Mantri Ujjwala Yojana:** Women who are below the poverty line are eligible for free LPG connections via the This initiative, which the Indian government launched in March 2016, promises to feed every home and provide free LPG connections to women who are living in poverty. Due to the social campaign and plea to the wealthy class to stop receiving LPG subsidies in favour of the lower classes, it attracted a lot of attention<sup>3</sup>.

● **Mahila Haat:** Aimed to aid female self-help organizations and businesswomen. A shout-out to the entire group of female business owners and future leaders, The empowerment of women entrepreneurs, NGOs, self-help organizations, and small producers is a key component of this approach. This multilingual portal, which was launched in March 2016, offers women in our nation a digital marketing platform to promote the goods they produce and the services they provide to draw in clients. This portal will serve as a catalyst for their business and can be accessed anywhere, at any time, with just a cellphone number<sup>3</sup>.

● **DDUG Deen Dayal Upadhyaya Grameen The Kaushalya Yojana:** This scheme aims of 180 million individuals between the ages of 18 and 34, or more than 69 percent of the nation's youth, reside in rural regions. About 55 million of these are low-income children from families with little or no work who are at the bottom of the food chain. DDUG Deen Dayal Upadhyaya Grameen The Kaushalya Yojana is a programme that targets rural children from low-income families between the ages of 15 and 35. This programme provides technical support, invests in the initiatives of its training partners, and provides high-quality skill training to disadvantaged rural youth<sup>5</sup>.

● **Pradhan Mantri Matru Vandana Yojana (PMMVY):** Is a Centrally Sponsored DBT scheme with the cash incentive of ₹ 5000/- (in three instalments) being provided directly in the bank/post office account of Pregnant Women and Lactating Mothers<sup>9</sup>.

● **Deen Dayal Anthyodaya Yojana(DDAY):** The programme run by the Indian government to aid the underprivileged by offering skill development. It takes Aajeevik's place. The Indian government has set aside 500 crore (US\$63 million) for the programme. Starting in 2016, the programme's goal is to annually train 0.5 million people in metropolitan areas. By 2017, it is intended to train one million individuals in rural regions. Additionally, there are services like SHG marketing, training facilities, vendor marketplaces, and long-term shelters for the homeless in metropolitan areas. The programme's goal is to improve Indians' skill levels in both urban and rural areas to the required level of international standards<sup>10</sup>.

To encourage rural women's engagement in economic activities and raise the standard of living, several development projects are being implemented throughout the rural eco-system. Thus, empowering rural women is essential to boosting the economy, ensuring food security, reducing poverty, and minimising the effects of climate change in order to achieve the UN Millennium Goals by 2030<sup>6</sup>.

## Conclusion:

Women entrepreneurship has been recognized as one of the important source of socio-economic growth and development. Rural women entrepreneurship is significant to empower rural women and also improving the overall standard of living. Atma Nirbhar Bharat is one of the major programmes to boost economy and as well as make rural women as Atma Nirbhar Naris.

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## LEADERSHIP & CHANGE MANAGEMENT

<sup>1</sup>HaiderAli M, <sup>2</sup>Dr. Ashok Kumar V. Paled

<sup>1</sup>Research Scholar, <sup>2</sup>Associate Professor,

<sup>1,2</sup>Political Science Department

<sup>1,2</sup>Davangere University

**ABSTRACT:** *Leadership is the art of influencing people to attain group objectives willingly. What a minister does in his state, a captain does on the playground, the manager has to do in his organization. Leaders in all walks of life should have some basic qualities. They should be able to establish contact with their equals, deal with their subordinates and guide them, mediate in conflicts, resolve issues by weighing various alternatives, allocate scarce resources properly and take risks and initiatives. The environment in which a leader is placed is important. The organizational culture, the economic and social set-up, the extent of unionisation and other factors any demand different types of leaders in different situations. A task oriented leader for instance, may be more successful in situations which are either very favourable or very unfavourable to him, a good leaderships management skill can change the organization structure, it is a global phenomena, leaders aren't immune to the pressure of peoples expectations after all, employees look to their leaders for a lot – clarity, connection and accountability – particularly in the midst of change.*

**Keywords:** Subordinates, organization environment, management skill, global phenomena, leaders, accountability,

### **Objectives:**

1. A good leadership how can change management system.
2. Mainly vision of leadership, in contemporary period is to reach is goal.

### **Introduction:**

Leadership in the global context, has become a complex organizational process though the western concepts of leadership are assumed to be applicable in most of the global contexts, the ways in which leaders adapt them to local conditions and work situations determine their success or failure (Hof stede, 1980 : 42-63). Therefore, it is necessary to understand and review the ways in which corporate vision and leadership vary across cultures and how culture influences motivation and the impact of cross-cultural dynamics on managerial decision making.

(NiranjanSengupta – 2007, 229).

Some managers believe that they can get things done only by the exercise of authority and power while others believe in persuasion, consultation and willing co-operation of the subordinates. Resis Likert has analysed the characteristics of different management systems in his book the human organisation where he has divided these systems in to four types;

1. Exploitative authoritative
2. Benevolent authoritative
3. Consultative
4. Participative

As management moves from the authoritative to the participative system, an atmosphere of mutual trust and productivity and improved morale.

(Lallan Prasad, am banerjee, 2012, 140-191)

### **Leadership Theories:**

The early work on leadership theories focused on traits of leaders. However, researchers could not find any consistent set of traits differentiating leaders from other people (Stogdill, 1948: 37-71) The next set of researchers tried to identify the types of behaviours out-standing leaders display, they found that the culture in which leaders grow up strongly influences their attitudes and behaviour (Mason and Spich, 1987 – 190-191)

### **Global leadership competencies:**

In searching for the most crucial leadership competencies organizations learned that emotional intelligence not cognitive abilities explain 90 percent of the difference between the average and star performers (Goleman, 1998; 92-102) Goleman suggests a set of live individual and social competencies as a critical to effective leadership each of the competencies is explained below in terms of their effectiveness for leadership skills.

a. Self-awareness is “the ability to recognize and understand your moods, emotions and drives, as well as their effects on (goleman, 1988) A high level of self-awareness in a leader indicates self-confidence, ability for reality – self assessment and the self-deprecating sense of humor.

b. Self-regulation is the ability to control or redirect disruptive impulses and moods along with “propensity to suspend judgment – to think before active (golemans 1998:95) Leaders with a high level of self-regulation exhibit trust worthiness, integrity, comfort with ambiguity and openness to change

c. Motivation is “a passion to work for reasons that go beyond money or status”and a propensity to pursue goals with energy and persistence leaders with high levels of motivation demonstrate a strong drive to achieve, optimism (even in the face of failure) and organizational commitment.

d. Empathy is “the ability to understand the emotional make up of other people and skill in treating people according to their emotional reactions.

e. Social work is a “proficiency in managing relationships and building networks” along with an “ability to find common ground and to build rapport, leaders with this skill are good at leading change, building and leading teams and are known for their persuasiveness.

Gardner (1995) According to gardner, extraordinary leaders have competencies.

1. Reflecting
2. Leveraging
3. Framing

## **Leadership styles in organizations;**

The role of H.R. Functions is changing in view of this changing role and to achieve the common themes which characterize and ultimately shape the process of organizational transformations managers need to exhibit certain leadership styles in different situations for organizational effectiveness the contemporary leadership styles in different situations for organizational effectiveness the contemporary leadership styles practiced in organisations are transactions, transformational and charismatic value – based leadership, ethical and servant leadership and boundary spanning and team leadership are common in effective organizations. In organizations mission, policy and objectives, the styles of leaders are identified from the component behaviours, and are mostly used to influence the subordinates or followers, as an influencer, each style impacts the followers' response and determines this performance

### **Transactional leadership**

Transactional leaders rely on eventuality, this is, they treat rewards or punishments as determinates of performance transactional leaders confers to rules and regulations, structured systems and produres.

### **Transformational Leadership:**

Transformational leadership is a behavioural process that encourages change, innovation, and entrepreneurship. The leadership process is systematic, comprises purposeful and organized searches for changes, methodical analysis and has the capacity to utilize resources to enhance productivity, the underlying assumptions of transformational leadership are the following;

1. People will follow a person who inspires them.
2. A person with vision and passion cum achieve great things.
3. The way to get works done is by injecting enthusiasm and energy.

### **Charismatic leadership:**

Charismatic is synonymous with charm appeal, magnetism, allure, and it means the divine gift of grace. It is a type of authority or influence based on exceptional characteristic of an individual it is also an important social influence that pulls people.

1. Make inspirational speeches
2. Build own image in the followers eyes
3. Uses and frames modes operative to guide followers
4. Distils complex idea into simple messages
5. Roll models of behaviour for followers with high expectations and confidence
6. Takes risks to achieve mission
7. Advocates moral mission and vision

### **Visionary Leadership:**

Leadership and shared value share and mould individual group organizational behaviours. Vision includes the broader sense of mission. A leader must have a vision and should develop strategies for translating the vision into reality.

## **Ethical (Spiritual) Leadership:**

Spiritual leadership is distinctly different from other leadership styles. Leadership in this millennium needs a new style for motivating inspiring, and engaging a critical mass of committed and capable people whose concerted efforts would lead to business success smoothly.

## **Servant Leadership**

### **Value – based leadership**

Boundary spanning leadership

## **The Role of Leadership in change management**

Leaders aren't immune to the pressure of peoples expectations. After all, employees look to their leaders for a lot clarity, connection and accountability – particularly in the midst of change.

Some surprising insights about change management and leadership, for example although 55% of leaders felt the changes met initials goals, change management initiatives over the long term were successful only 45% of the time more then 87% of leaders said they trained their managers to oversee the process of change management, but the changes once implemented didn't last. In fact, training was effective among test 92% of those surveyed. A third of those understood the reasons for organization change, but that important message never fully tricked down to middle managers or front line supervisors.

So what does this tell us about the role of leadership in change management.

- Clarify the vision and communicate it effectively.
- Stay connected with your employees.
- Be accountable and transparent

## **CONCLUSION**

Leadership is a very important phenomena of contemporary world, it is change any administrative structure, with change the management. Because leadership is a art it is different between men to men or men to women. A good leaders can give lot of insights to all management system thats all.

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# **A CONCEPTUAL STUDY ON THE IMPACT OF HUMAN RELATIONS ON EMPLOYEE PRODUCTIVITY**

**Dr.V.Purendra Prasad**

Faculty of Management

Central University of Andhra Pradesh, Andhra Pradesh, India

Email id: drpurendra.cuap@gmail.com

**Abstract:** *The need to increase employee productivity is one of the most urgent concerns that most organizations are currently dealing with. Many people think that the only way to increase productivity is to fundamentally change how employee relations are handled. Changes are seen as required in the manner that personnel are hired, paid, and motivated as well as in the way that work is organized and structured. Employees that get along well at work feel content and happy at work, which helps the workplace environment. They eagerly anticipate going to work each day and put in a lot of effort to achieve the objectives of their team and organization. To maintain a smooth operation of the organization with the most crucial resource for its development, employees must establish positive relationships with one another at work. The purpose of the study is to understand the impact of maintaining employee relationships on employee productivity.*

**Keywords:** Productivity, Positive Relationships, workplace environment.

## **Introduction:**

Every individual shares a certain relationship with his colleagues at the workplace. The relationship is warm, so-so, or bad. The relationship can be between anyone in the organization - between co-workers, between an employee and his superior, between two members of the management, and so on. The employees must share a healthy relationship to deliver their best performances.

An individual spends his maximum time at the workplace and his fellow workers are the ones with whom he spends the maximum hours in a day. No way can he afford to fight with his colleagues. Conflicts and misunderstandings only add to tensions and in turn decrease the productivity of the individual. One needs to discuss so many things at work and needs the advice and suggestions of all to reach a solution that would benefit the individual as well as the organization. No individual can work alone. He needs the support and guidance of his fellow workers to come out with a brilliant idea and deliver his level best

Happy employees are productive employees. Successful businesses know how to manage relationships to build lasting employee satisfaction.

The most important part of any business is its people. No business can run effectively without them. They need to communicate and work with others to get their jobs done. Employers need to manage relationships in the workplace to keep the business functioning smoothly, avoid problems, and make sure employees are performing at their best.

## **Importance of Employee Relations - Why Employee Relations at Workplace?**

- **An individual cannot take decisions alone on several issues.**

He needs the guidance and advice of others as well. Sometimes we might miss important points, but our fellow workers may come out with a brilliant idea, which would help us to achieve our targets at a much faster rate. Before implementing any plan, the pros and cons must be evaluated in an open forum where every employee has the right to express his opinions freely.

On your own, you will never come to know where you are going wrong, you need people who can act as critics and correct you wherever you are wrong. If you do not enjoy a good relationship with others, no one will ever come to help you.

- **Work becomes easy if it is shared among all.**

A healthy relationship with your fellow workers would ease the workload on you and in turn, increases your productivity. One cannot do everything on his own. Responsibilities must be divided among team members to accomplish the assigned tasks within the stipulated time frame. If you have a good rapport with your colleagues, they will always be eager to assist you in your assignments making your work easier.

- **The organization becomes a happy place to work if the employees work together as a family.**

An individual tends to lose focus and concentration if his mind is always clouded with unnecessary tensions and stress. It has been observed that if people talk and discuss things with each other, tensions automatically evaporate and one feels better. Learn to trust others, you will feel relaxed. One does not feel like going to office if he is not in talking terms with the person sitting next to him. An individual spends around 8-9 hours a day at his workplace and practically it is not possible that one works nonstop without a break. You should have people with whom you can share your lunch, discuss movies or go out for a stroll occasionally. If you fight with everyone, no one will speak to you and you will be left all alone. It is important to respect others to expect the same from them.

- **An individual feels motivated in the company of others whom he can trust and fall back on whenever needed.**

One feels secure and confident and thus delivers his best. It is okay if you share your secrets with your colleagues but you should know where to draw the line. A sense of trust is important.

- **Healthy employee relations also discourage conflicts and fights among individuals.**

People tend to adjust more and stop finding faults in each other. Individuals do not waste their time in meaningless conflicts and disputes, rather concentrate on their work and strive hard to perform better. They start treating each other as friends, try their level best to compromise, and make everyone happy.

- **A healthy employee relationship reduces the problem of absenteeism at the workplace.**

Individuals are more serious about their work and feel like coming to the office daily. They do not take frequent leaves and start enjoying their work. Employees stop complaining about each other and give their best

- **It is wise to share a warm relationship with your fellow workers because you never know when you need them.**

You may need them at any time. They would come to your help only when you are nice to them. You might need to leave for some personal reasons; you must have a trusted colleague who can handle the work on your behalf. Moreover, healthy employee relations also spread positivity around. Employees must be comfortable with each other for better focus and concentration, lesser conflicts, and increased productivity.

### **Role of Employee Relations to Improve Productivity**

Employee Relations is a set of organizational functions and practices that deals with issues related to people as staffing, compensation and benefits, performance management, organization development, health and safety, communication, and administration. Employee Relation Practices are viewed as ambiguous over the past years. Competition forced Employee Relations to perform a strategic role as a business partner instead of adopting ER practices only to take disciplinary actions and advocating employees.

Staffing, salary and benefits, performance management, organization growth, health and safety, communication, and administration are all concerns connected to people that fall under the umbrella of employee relations. Over the years, employee relationship practices have come to be seen as unclear. Instead of adopting ER practices to take just disciplinary actions and advocate for employees, competition prompted ER to play a strategic role as a business partner.

### **Factors Related to Employee Relations**

Good employer-employee relationships are the outcome of a plan and actions that employee relations managers establish to enhance communication between staff and management. They do not just happen. employee empowerment and involvement, employee suggestions, collective bargaining, conflict management and grievance redress measures, training and development, transparency in communication, encouraging group activities (teamwork), and worker's compensation.

**1. Employee Empowerment and Involvement:** By enhancing skill sets and giving employees, the authority to make decisions that would often be made by managers, empowerment, a more contemporary and sophisticated kind of employee participation, enhances employee relations and directly supports organizational goals. Employee creativity and risk-taking are two important traits that can provide a company with a competitive edge in a rapidly changing environment. A procedure of five crucial actions, including informing, consulting, sharing, delegating, and empowering, is used to operationalize employee involvement.

**2. Initiating Employee Suggestions:** Employee suggestion schemes are a formalized method that encourages staff members to offer helpful suggestions for enhancing the company where they work. Ideas that are implemented are recognized with a monetary prize or another type of acknowledgment, usually in proportion to the advantages they produce. It fosters an environment of confidence and trust, work satisfaction, and ongoing improvement inside the business.

**3.** A staff suggestion system is defined as a formalized process to encourage employees to think creatively about their occupations and work environments and to propose ideas for which they will be paid on a particular basis, if acceptable and advantageous to the organization. Daily employee suggestions are an effective technique to gather and implement staff members' innovative ideas, particularly when operating where innovation and constant improvement play an increasingly vital part in economic success.

**4. Facilitating Collective Bargaining:** Collective bargaining is a process of decision-making between parties representing employer and employee interests; it implies the negotiation and continuous application of an agreed set of rules to govern the substantive and procedural terms of the employment relationship. It can be initiated between trade unions and individual companies or between union federations and employer associations.

In all of these cases, the goal is to agree upon rules to facilitate compromises between conflicting interests over the terms and conditions of employment. In replacing unilateral decision-making by the employer, bargaining has introduced an element of industrial democracy into the workplace.

### **Employee Relations and Employee Productivity**

**1. Industrial Relations Unions:** Both positive and negative effects of unions on performance have been identified. Unions can cause a “shock effect, whereby they induce managers to alter methods of production and adopt more efficient personnel policies. The benefits of this are offset, at least in part, when unions favor restrictive work practices, such as clauses that hamper the introduction of new technology and cause firms to pay more for labor than necessary. Unions can reduce staff turnover and this may be of benefit to a business because high turnover can reduce productivity in a workplace through a direct loss of firm-specific. Unions stress seniority rules and these can be a positive factor as there is a positive relationship between productivity and experience, and a seniority system may emphasize ability and merit. Seniority rules can also reduce conflict between seniority and efficiency. Unions can improve worker morale and motivation. The potentially arbitrary nature of decisions such as promotions or layoffs can be reduced by the presence of unions. For example, the employee is more likely to see his employer as fair. emphasized that one of the major areas for improving what he calls “X-efficiency in the firm is worker morale and motivation. Unions improve communications between workers and management. The opening of communication channels between management and workers can result in integrative rather than distributive bargaining. Several negative factors have also been identified. One of the most well-established effects of unionism is the raising of wages, and the associated impact on labor allocation, firm profitability, and impact on employment

Strike activity is of concern as workdays lost directly affect productivity, as does non-cooperative behavior that precedes or follows strikes. Importantly, unions may repress R&D spending and investments when union rent-seeking acts as a tax on the return on investment and limits innovative and investment activities. Further, unions may force firms into inefficient personnel hiring and firing practices.

**2. Employment Practices:** For a long time, national collective bargaining mechanisms and centralized, highly bureaucratic procedures that were predetermined from above dominated the management of personnel relations in public sector organizations. Therefore, with very little room for discretion, the work of the personnel management function was essentially limited to the implementation of national agreements and standardized procedures. Conservative governments, on the other hand, implemented policies in the 1980s that boosted the authority and role of managers in the public sector. These policies included an emphasis on better customer service and value for money, the delegation of decision-making to smaller business units, and the promotion of a higher level of strategic awareness in the face of strict financial targets.

**3. Disputes Resolutions:** For most of the twentieth century, disputes over wages and conditions were resolved or prevented by a system of conciliation and arbitration. This system involved an independent arbitrator, formerly the Conciliation and Arbitration Court, which became the Australian Industrial Relations Commission (AIRC), that used the law to try to find a satisfactory compromise or outcome for the parties to a dispute that usually involved unions in disagreement with employers.

Ironically, this system of dispute resolution largely failed to prevent workplace disputes and strikes by workers and unions. Although there were few lengthy industrial disputes last century, the system of conciliation and arbitration was held responsible for an increase in short and disruptive strikes. Strikes affect the productivity time of employers and businesses.

**4. Employee Communication:** A healthy employee relationship ensures a positive environment at work and also helps the employees to achieve their targets at a much faster rate. People are more focused and can concentrate better on their assignments, and hence the output increases. Employees are not engaged in constant fights, are eager to help each other and do not take work as a burden. They enjoy every moment at work and do not take leaves often. Communication is not only important in our daily lives but also plays a crucial role in the workplace. It is one of the most important factors which either improves or spoils the relationship among employees.

Supervisors play a vital role in determining stress levels and employee-employee relations in an organization. They play a huge role in employee morale, performance, and stress level and ultimately determine job performance. Supervisors who know how to provide guidance, support, and encouragement minimize employee stress. Supervisors with poor management skills or with personal problems with employees, not only can't help employees deal with stressful times, they themselves are a tremendous source of stress. The time and financial resources you invest in selecting and training managers will pay huge dividends in reducing employee stress, increasing productivity, and minimizing turnover.

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## SMART HR: THE IMPACT OF ARTIFICIAL INTELLIGENCE

<sup>1</sup> Dr. Prashantha Kumar O, <sup>2</sup> Dr. J K Raju

<sup>1</sup> Associate Professor, <sup>2</sup> Professor

<sup>1</sup> Department of Studies in Management, <sup>2</sup> Institute of Management Studies

<sup>1</sup> GM Institute of Technology, <sup>2</sup> Davangere University,

Davangere, Karnataka, India

Email: <sup>1</sup> prashantha.onkarappa@gmail.com,

<sup>2</sup> drjavaliraju@hotmail.com

**Abstract:** *Information technology has had intense effect on human resource management (HR) processes and practices. As we move towards building smart organizations, Artificial Intelligence plays a fundamental role towards the success of transforming human knowledge into organizational knowledge. Artificial intelligence is an emerging area in the field of HR Technology which can replace or enhance the effectiveness of human resource management processes. Artificial Intelligence can be used by organizations for candidate screening, employee engagement, employee re – engagement and career development. It can be applied to HR policies, procedures and HR perspective and can enhance the effectiveness of human resource management. The study will analyze the emergence of Artificial Intelligence in HRM process and the potential benefits of artificial intelligence through secondary data. The paper generates insights on the utilization of technology for conversion of effective HR into sustainable HR.*

**Keywords:** Artificial Intelligence, Human Resource Management, Potential benefits, HRM Process.

### **Introduction:**

“We are witnessing a change in the nature of jobs. Muscle jobs are disappearing, finger and brain jobs are growing or, to put it more formally, labor-based industries have been displaced by skill-based industries and these in turn will have to be replaced by knowledge-based industries.” (Charles Handy, 1984) Charles Handy mentioned the radical changes long back in 1984 but India is encountering with these changes recently. In this highly competitive environment, where everyone is connecting via internet and technology is upgrading very fast making world as a global village. Artificial Intelligence is helping organization in performing any function. With the increasing pressure to involve the HR managers into the strategic decisions, the organizations have understood the importance of using new technology in leveraging their Human Resource System. Rapid changes in business environment require quick response. To compete in the market, the organizations invest in R&D to bring some new technologies. Artificial intelligence is the new technology which enables the prompt analysis of data by people that do not have special skills in data analysis. Artificial Intelligence is helping them in integrating different system and also provide a platform which can support all functions of Human Resource from recruitment, selection, training, development, compensation and performance management is not a single unit to work for the organization. “Artificial Intelligence” is defined as “an ideal ‘intelligent’ machine that is a flexible rational agent that perceives its environment and takes actions that maximize its chance of success at some goal.”

Artificial intelligence can reduce the work pressure on the employees, for smoothening of the process, for data analysis etc. AI technology connects people to machines and machines to other machines. AI system can work for candidate screening, employee engagement, re – engagement, career development etc.

Artificial Intelligence by using comprehensive skills repository and machine learning algorithms create sharp job descriptions armed with pertinent marker resulting perfect resume match. The organizations are able to match the right candidates for the vacancy occurred in the other departments of organizations. It thinks and acts rationally to avoid the biasness for the candidate. It can give competitive edge over competitors. The modern organizations face several challenges which bring the new opportunities alongside. The challenges faced by the modern organizations can be tackling with the help of artificial intelligence. Big Data analytics for HR is the process of looking at big data in search of trends, patterns, correlations and insights about human behavior. Today's global economy requires increased attention to the issue off business competitiveness. Artificial Intelligence raise the competitiveness of enterprises in the global market.

### **Literature Review:**

**Kapoor B. (2010)** examines leading business intelligence vendors to look into the business intelligence and data analytics features incorporated in human resource management modules. The author examined that the human resources can position itself as essential value-adding department of the organization by taking the advantage of business intelligence.

**Tripathi et al (2012)** this study discussed the impact of an expert system which is used in evaluating the job. They also evaluate how expert system in hrm context in teaching and learning system.

**Dianna L. et. al (2015)** review the current effects of technology on HR processes and discuss the advantages and potential limitations of using information systems. The authors suggested that themovement towards her is expected to grow in the future but many of the traditional HR research findings also apply to eHR.

**Ulrich and Dulebon (2015)** described the emergence of HR and propose the future of HR for increased and sustainable value. The authors have studied the HR's transformation waves from administrative to HR strategy waves.

**Hussein et. al (2016)** reviews the history of artificial intelligence in auditing and analyze the components of conceptualization of AI for auditing: sensing, achieving and predictive technologies, meta-controls/meta –processes, exogenous measurement, rapid detection of phenomenon, integration of evidence and the data for deep learning in auditing. The authors concludes that AI will potentially replace auditors in various automated tasks, and is capable of of automatically designing the entire audit plan based on the situation of the client and the existing evidences, self-correcting mistakes, and continuously improving the audit process.

**Buzko et al. (2016)** found that the main factor for influencing the amount of training in the company is the net income of the company for the previous year and the transition from discrete paradigm of information processing to continuous paradigm allow faster and more accurate adapting to environment requirements. The authors have concluded that in the modern business conditions, it becomes more relevant to use artificial intelligence technologies for decision making.

**Kolbjornsrud et al. (2016)** reviewed the fact that artificial intelligence will soon be able to do the administrative tasks that consume much of managers' time faster, better and at lower cost.

**Shweta Jain (2017)** in this paper author discuss about how artificial intelligence bring out total digital transformation when the organization well coordinate with the different units like HR, marketing, Finance, Manufacturing or process.

### **Research Objectives:**

Following are the objectives of the study:

1. To find out the benefit or importance of using the artificial intelligence in Human Resource Management.
2. To evaluate how artificial intelligence can revolutionize the HR Process.

### **Research Methodology:**

This study is using the descriptive research design to describe the scope of artificial intelligence in human resource management processes. Secondary data collection method is used for the study. The data has been collected through the articles published in newspaper, magazine, HR Blogs, research journals, survey reports published by various research organizations, books and online sources also.

### **The HR Benefits of Artificial Intelligence include,**

1. Empowering virtual assistants through data collection and distribution
2. Increasing employee skills for maximum efficiency in assignments requiring cross-training abilities
3. Organizing statistics based on different stakeholder need
4. Managing workflows through automation, regulation and conditional situations
5. Less time consuming
6. The chance of error will be less and accuracy in task can be achieved.
7. Organizations will be able to focus more on strategic decision
8. Accuracy of work will be increased
9. It can overcome the limitations that human may have.
10. It can handle responsibilities and can be programmed to manage them.
11. Frauds can be detected through smart card based systems.
12. Organizations may install the face recognition techniques for the highly risk zone.



13. Organizations use avatars which digitally assist to the employees, saving the need of human resource.

14. Sometimes manager's start thinking emotionally which create a hindrance in making decisions. Sentiments and emotions are not lacking in the AI system that's why they will able to think logically and take the right decision.

### **How Artificial Intelligence Can Revolutionize HRM Process**

Following process can be improved and simplified with the use of artificial intelligence:

**1.1 Candidate Screening:** AI can help the recruitment managers to examine the applicant quickly and effectively. Organizations encourage applicants by interacting them in chat box or AI tool, answering common questions about the job descriptions and specifications. It may also provide information in terms of feedback about the candidates.

**1.2 Candidate Engagement:** After submitting the job application by the applicant, the applicant not receives any type of communication or interaction from the employer. With the help of AI, the organization could easily engage the applicants using Hub spot or Market- like systems. Certainly, AI can be integrated into these types of candidate automation, however, these messages, responses and engagements can, with AI, be real-time and unique to the individual candidate and not just driven by a tags, positions, locations or categories.

**1.3 Re-Engagement:** Artificial intelligence helps the organization to re-engage a very targeted group of candidates to determine their interest level in a position or role, while also using that engagement opportunity to update their candidate record to reflect new positions, work experiences or skills that might have acquired since the last time they were engaged.

**1.4 Post-Offer Acceptance:** Once a candidate accepts a job offer, a gray area exists — normally two weeks from when a candidate gives notice to when they start working at your organization. AI could fill that gap by engaging and following up with the candidate to increase the acceptance-to-start rates of your candidates.

**1.5 New Hire On boarding:** Induction program plays very important role for the new joinee. It helps to understand the company culture, processes & policies. AI can answer other common questions, information and resources that may help the new join to understand better.

**1.6 Career Development:** AI offers the ability to scale a career development program or company coaching for each and every employee.

**1.7 Employee Relations:** Employees must have some queries related to benefit coverage, FMLA, vacation time and how they are paid which require in depth conversation with HR manager or coordinator. Once data feed in the AI system, AI can answer all queries in chat form. Artificial intelligence technology can be used in chat form, email or a virtual meeting room, handing over and even booking a meeting between your HR generalist and the employee.

**1.8 Scheduling:** Whether it's booking interviews or work meetings, spending time to coordinate schedules and availability is an unproductive activity that not only wastes everyone's time but keeps our email inboxes full and overflowing. Imagine a world where a machine books meetings, schedules and even orders food without you having to do a single thing.

### **The Concept of SMACI of Digital Transformation in HR**

As HR is heading towards the digital revolution and the future is characterized by Big Data, mobile, artificial intelligence, social media, and cloud computing, the ability for organizations to manage their people will grow more flexible, agile and customized. Social, mobile, analytics, cloud and internet altogether make a web of technology which is called as SMACI. This technology web empowering enterprise across critical digital dimension including products and services, customer experience, operations, and workforce. The integrated play of SMACI helps in delivering content, commerce, and collaboration to customers anytime and anywhere in a comprehensive, personalized, contextual and cost- effective manner. SMACI unfolds as follows:

**Social media**—social channels give assistance to businesses in interacting with their customers.

**Mobility** is shifting the focus of application development away from the traditional 'desktop based' approach to a 'mobile-first' one.

**Analytics** is enabling enterprises to explore large volumes of data to gain insights and drive strategic decisions.

**Cloud computing** is reshaping the way software and services are sold and delivered.

**Internet of Everything (IoE)** is opening significant opportunities by connecting everything to the internet.

### **Success stories in India**

Reliance Jio, the 4G telecommunications, and digital services company is the perfect example of digital transformation. Which was came up with a vision to build a national 4G network across 18,000 cities and towns in India to serve hundreds of millions of customers. They have started with an employee value proposition strategy that supports employees, candidates, and business managers and the service they offered was easy to use, quick to buy and come with safety. Digital-first HR programme was used which allowed staff members to complete the tasks with the help of real-time apps and cloud-based services. Secondly, they streamlined their all hr processes, technologies (including SAP and a series of cloud apps such as Salesforce.com,) policies into one single application. They have automated and streamline almost all of their major activities. All these activities helped reliance to build a strong HRIT enabled the network to promote its services and help in making it's successful.

### **Conclusion:**

Machine can surpass the human level of intelligence and ability. HR software will become software that learns from experiences. The data processor in the AI system finds the effective way to achieve the objective of any task. This technical innovation can help the HR managers to manage the HR process, policies, and employees effectively. It is beneficial for both employee and employer.

Employers are no more dependent on the manpower; they can get their work done through the machine effectively. Although it may reduce the dependency on the manpower but still employers will be requiring efficient manager, skilled workers, and professional to tackle with the system. It will help the employees to reduce the paper work; lengthy process will no long be lengthier. It will reduce the stress of the employees because, employees can feed the data in the system and analysis can easily be done.

There may be internal and external forces which may affect the new technological AI systems. Internal factors such as employees' resistance to learn something new, unskilled workers, unavailability of resources etc. External factor which may affect the system such as change in government could have different political ideologies, with direct influences on business, the economy of country, legal aspects, new legislations, trade agreement etc. The technology has changed the way of working system. The credit goes to the programmers, processors, computers and internet. The world has become smaller and future generation will use advance technologies for the human resource.

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## **WORK FROM HOME: MANAGERIAL ROLES AND CHALLENGES IN THE DIGITAL SUPPLY CHAIN**

**<sup>1</sup> Dr. Basavaraj S Kudachimath, <sup>2</sup> Miss. Vani Dilipkumar Bhajantri**

<sup>1</sup> Associate Professor, <sup>2</sup> Fulltime PhD student

<sup>1, 2</sup> Department of Management Studies

<sup>1, 2</sup> Visvesvaraya Technological University, Belagavi, Karnataka, India

Email: bskudachimath@gmail.com,<sup>2</sup> vbhajantri704@gmail.com

**Abstract:** *The introduction of digital technologies and the worldwide pandemic have changed the traditional workplace, causing remote work or "work from home" arrangements to increase at remarkable rate. This paper explores how remote labour affects managing positions and looks at the difficulties managers confront in the setting of the digital supply chain. The paper explores the particular difficulties managers in remote work environments face while highlighting their primary duties. It also provides information on how to overcome these difficulties and make sure that the management of the digital supply chain is successful in a remote working environment.*

**Key words:** work from home, digital supply chain, management difficulties.

### **Introduction:**

With more and more industries adopting the advantages and flexibility that remote work provides; it has completely changed the landscape of the traditional workplace. The digital supply chain has seen a substantial shift towards remote work arrangements among various businesses. Understanding the particular difficulties and issues faced by managers in a remote work environment is crucial since managerial functions are crucial in supervising and managing the complexity of the digital supply chain.

This study examines the complexities and problems of managing a distributed team and coordinating the flow of information in a virtual environment in the context of remote managerial responsibilities within the digital supply chain. Through research into the managerial implications of remote employment in the digital supply

The paper's first section, which is devoted to communication and collaboration, places a strong emphasis on the necessity of creating reliable channels for seamless information exchange, encouraging teamwork, and upholding transparency. It looks at how project management platforms and digital tools can be used to bridge geographic gaps and remove obstacles to collaboration.

The importance of creating and preserving professional connections in the digital supply chain is acknowledged in the second section, which goes into relationship-building. It discusses the difficulties of establishing rapport and trust with team members, stakeholders, and partners while working remotely and offers ideas into how to promote solid relationships and productive collaboration in such a scenario.

The final section of the paper discusses how performance monitoring is an important component of remote managerial responsibilities in the digital supply chain. In order to assure accountability and productivity, it examines strategies for remotely monitoring and evaluating team and individual performance. It places particular emphasis on the necessity of precise performance indicators, frequent check-ins, and performance reviews.

The ramifications of time zone differences and cultural diversity in a global digital supply chain are covered in the section that follows. It emphasises how important it is to take into account different schedules, set up clear communication rules, and use flexible working arrangements to foster efficient collaboration across time zones and cultural barriers.

Another crucial topic of thought for remote management tasks is data security and protection. The paper's fifth section examines the difficulties and solutions related to upholding stringent security measures, safeguarding private data, and following cybersecurity best practises while working remotely.

The penultimate section focuses on employee engagement and well-being, which are essential components for a successful and positive work environment. It emphasises the significance of encouraging virtual team activities, encouraging team bonding, and supporting employee well-being initiatives to lessen the difficulties of isolation and decreased participation in remote work setups.

The emphasis of the final portion is on the importance of flexibility and ongoing learning in the dynamic environment of the digital supply chain. It emphasises how important it is for remote managers to keep up with market developments, promote an innovative and resilient culture, and give their staff the tools they need to successfully adjust to changing conditions.

This article intends to offer insights and useful advice for managers and organisations navigating the changing environment of remote work in the digital era by looking at the managerial tasks and problems within the digital supply chain in the context of remote work.

### **Objectives:**

1. To interpret the roles of managers in managing the digital supply chain while working from home.
2. To identify the challenges faced by managers in managing the digital supply chain while working from home.

### **Literature review:**

On the one hand, we contend that globalisation will be curtailed in favour of local producers and supply networks. Even when global supply chains are interrupted and disrupted, businesses will be able to maintain their manufacturing processes thanks to shorter delivery times and improved responsiveness of local networks. **(Giuseppina Ambrogio, April 2022)**The focus of future research should be on providing conceptual models, theoretical frameworks, case studies, and novel practises to support managers' endeavours. And initiatives towards Digital Supply Chain. **(Ageron Blandine, Oct 2020)**Companies rely on both internal and external knowledge to give solutions when working with clients, partners, and through mergers and acquisitions. Therefore, it is necessary to reconsider the supply chain in order to create an open service ecosystem where the knowledge-based solution encourages digital servitization. **(Lucia Pizzichini, April 2023)**Businesses have excelled in their supply chain performance throughout the COVID-19 crisis thanks in large part to supply chain visibility and adaptability. Resources for a company include both those found within the company and those found outside it, or among the companies that make up its supply chain. **(Fei Ye a, March 2022)**The necessity to develop plans for managers to transition towards a digitised supply chain, as well as the consideration of cultural differences between nations and continents.

These recommendations bring us back to managerial and behavioural issues like those mentioned in the theme **(Remko van Hoek, 2020)** Finding a balance between the time needed to acquire, produce, and distribute products to clients and their willingness to wait is the main issue for practically every organisation. Additionally, most of the time, customers are not willing to wait for long periods of time, especially when there are alternatives on the market. **(Alok Raj, 2022)** The ongoing emergent study on technology adoption and its effects on the supply chain must be developed. Additionally, it is crucial to investigate novel DSC configurations, DSC directions, the role of supplier and customer integration, the contribution of new project management techniques and skills, and the creation of a comprehensive DSC performance measurement system. **(Blandine Ageron, Oct 2020)** The report concludes that the primary forces behind the digital supply chain are technologies, digitization, integration, cooperation, and coordination based on a review of the 60 papers. According to the data, survey-style research accounted for 40.0% of all research methods. The study's findings suggest that qualitative case studies should be used in conjunction with empirical research. **(Iddris, June 2019)**

### **Research methodology:**

Research methodology helps us to know the methods used in the research for the study. In this research paper, the data or information that is used is from reputed journals, articles, and research papers. This paper is purely conceptual and based on the literature reviews done.

### **Managerial roles of work from home in digital supply chain management:**

**Strategic planning and decision making:** Managers are in charge of creating and putting into effect strategic plans that are in line with the organization's goals and objectives. To optimise the digital supply chain, they analyse market trends, consumer desires, and operational capabilities. This entails discovering opportunities for supply chain optimisation, technology adoption, and process improvement.

**Leadership and Management of Remote Teams:** Within the digital supply chain, managers are responsible for organising and leading remote teams. This entails establishing specific objectives, delegating duties, and fostering productive teamwork and communication. Remote workers receive direction, encouragement, and support from managers, who also build a healthy work atmosphere and encourage high performance standards.

**Management of Professional Relationships:** In the digital supply chain, managers act as the main conduit for communication between various stakeholders. They develop and preserve connections with vendors, vendors, logistics partners, and other important players. All stakeholders are kept aware when there is effective communication, and any potential problems or delays are quickly resolved. Additionally, managers encourage remote team members' collaboration and knowledge exchange, facilitating effective information flow.

**Performance monitoring and evaluation:** Managers are in charge of keeping an eye on the performance of remote team members and assessing their contributions to the digital supply chain. To make sure that individual and team goals are reached, they define performance measures, monitor results, and give frequent feedback. Performance reviews aid in pinpointing areas that need improvement, offer praise, and aid in the advancement of remote workers' careers.

**Risk management and problem-solving:** Managers in digital supply chain management who work from home are entrusted with locating and reducing risks that could have an influence on supply chain operations. Creating backup plans to deal with potential disruptions like natural catastrophes, supplier problems, or cybersecurity threats is part of this process. To handle operational difficulties and enhance the performance of the supply chain, managers also use problem-solving techniques.

**Adoption and optimisation of technology:** Since digitalization is a key component of the digital supply chain, managers are essential in discovering and implementing technological solutions that increase productivity and visibility. To improve data-driven decision-making, they examine and put into use digital tools including supply chain management software, analytics platforms, and collaborative communication tools.

**Continuous Improvement and Innovation:** Within the digital supply chain, managers promote a culture of continuous improvement and innovation. They encourage the members of their teams to pinpoint potential improvement areas, put up fresh ideas, and take part in efforts to optimise processes. To advance the supply chain's digital transformation, managers support a learning environment, encourage knowledge sharing, and keep up with current market trends.

In conclusion, managerial responsibilities in work-from-home arrangements for digital supply chain management include developing a culture of continuous improvement, team leadership, communication, performance monitoring, and risk management. To achieve operational excellence and unlock the full potential of a remote workforce in the digital supply chain industry, these duties must be carried out effectively.

### **Managerial challenges of work from home in digital supply chain management:**

**Collaboration and communication:** are key components of remotely managing a digital supply chain. Managers must make sure that open lines of communication are established with their team members, partners, and stakeholders on a regular basis. Transparency may be maintained and collaboration can be facilitated by using digital communication technologies including video conferencing, instant messaging, and project management platforms.

**Building and Maintaining Relationships:** It takes a lot of work to create and keep a professional network while running a digital supply chain. When working remotely, managers may find it challenging to establish rapport and trust with team members and business partners. To build solid ties within the team, it's crucial to arrange regular virtual meetings, have casual talks, and promote open communication.

**Monitoring Performance:** It can be difficult to keep track of a remote team's members' performance. Clear performance measures and targets must be set, and managers must constantly monitor progress. Overcoming this difficulty can be facilitated by using collaboration tools and project management software that offer visibility into team and individual performance. Regular check-ins and performance reviews can also be a chance to offer advice and assistance to remote workers.

**Time Zone and Cultural Disparities:** In a global digital supply chain, managers may need to communicate with team members and partners who are located in various time zones and come from various cultural backgrounds. Effective collaboration may be ensured by being considerate of these variations and having flexible working conditions. To accommodate various schedules, it is important to create clear expectations and norms for communication and work fulfilment.

**Remotely managing a digital supply chain:** raises new issues with regard to data security and privacy. Managers are responsible for making sure remote work environments are safe, which includes employing secure access to systems and data, using encrypted communication channels, and following cybersecurity best practises. Employees who get regular training and awareness programmes can better comprehend and manage hazards.

**Employee Well-Being and Engagement:** Working remotely can occasionally result in feelings of loneliness and lower employee engagement. Managers should actively support programmes for staff wellbeing as well as encourage regular virtual team activities and team bonding. Regular check-ins to assess employee satisfaction and offer assistance can help foster a healthy work environment.

The landscape of the digital supply chain is always changing; therefore, managers must be agile and able to adapt. Remote managers should stay current on the most recent business trends and technological developments. They should promote a culture of lifelong learning and offer resources to assist team members in gaining new abilities and successfully adjusting to change.

Remote managers in the digital supply chain can establish a successful and harmonious virtual workplace by addressing these issues. Key elements of successful remote management in this field include clear communication, relationship-building, performance tracking, and giving employees' well-being top priority.

### **Solutions for Managing Challenges of Work from Home in Digital Supply Chain Management:**

**Communication and Collaboration:** Establish regular routes for communication and collaboration. Use collaboration technologies like instant messaging, video conferencing, and instant messaging to keep in constant contact with distant team members and stakeholders.

**Encourage open dialogue:** Encourage a culture of open communication where team members are at ease discussing their ideas, challenges, and perspectives. Encourage active involvement in online meetings and team-building exercises.

**Clarify your expectations:** To make sure everyone is on the same page, define communication procedures, response times, and availability expectations. Encourage openness and regular project progress updates.

**Relationship Development and Maintenance:** Virtual team cohesion To promote camaraderie and enhance relationships among distant team members, plan virtual team-building exercises, casual chat sessions, or virtual coffee breaks.

**Consistent one-on-one check-ins:** Set up private sessions with team members to talk about their tasks, difficulties, and professional advancement. By having private chats, you may help others and establish a rapport.



Participate in online networking: Encourage team members to take part in online groups, virtual conferences, and webinars related to their business to grow their professional networks.

**Monitoring and Evaluating Performance:** Establish explicit performance indicators and objectives: Establish measurable goals and key performance indicators (KPIs) to gauge both team and individual performance. Make sure the remote team members are adequately informed of these metrics.

Regular check-ins and feedback: Hold routine virtual meetings to talk about results, offer criticism, and address any difficulties. Recognise accomplishments and offer constructive feedback to inspire remote workers.

Utilise project management and collaboration tools: Utilise software platforms that provide task, deadline, and milestone tracking in real time. This encourages accountability and visibility among distant team members.

**Cultural and Time Zone Differences:** Encourage flexibility Create a flexible timetable and work hours to account for multiple time zones. Encourage asynchronous communication when it is required so that team members can contribute from wherever.

Encourage cultural sensitivity Inform team members about cultural nuances and differences. Foster intercultural cooperation and provide people the chance to learn and share their knowledge.

**Protection of Data and Security:** Make sure remote access is secure: To protect remote access to critical data and systems, use multi-factor authentication and secure virtual private network (VPN) connections.

Educate on cybersecurity: Educate remote team members on data security best practises, including managing strong passwords, spotting phishing scams, and safeguarding private data.

**Employee Well-Being and Engagement:** Make work-life balance a priority: Encourage remote workers to set boundaries between their personal and professional lives. Urge taking vacations, urge regular breaks, and discourage working long hours.

Encourage social interaction: To encourage staff engagement and wellbeing, plan online social gatherings, team-building exercises, and wellness programmes.

Offer resources to help the well-being of remote team members, such as access to counselling services or mental health webinars.

**Adaptability and Ongoing Education:** Keep abreast on market trends: Encourage team members and supervisors to aggressively pursue information and stay current on changes in the digital supply chain industry.

Foster professionalism development: Make online learning resources, webinars, and training courses available so that people may develop their abilities and adjust to changing procedures and technologies.

By putting these tactics into practise, managers may successfully address the issues posed by work-from-home arrangements in the digital supply chain while creating a motivated and effective remote workforce.

## Conclusion:

Finally, the study "Work from Home: Managerial Roles and Challenges in the Digital Supply Chain" illuminates the changing nature of remote labour within the framework of the digital supply chain. It stresses the significance of good managing duties and the particular difficulties managers encounter in this fast-paced workplace. In order to overcome these obstacles and guarantee the efficient operation of the digital supply chain, the article emphasises the necessity of adaptability, communication, and technology integration. Organisations may take advantage of remote work's potential and thrive in the digital age by identifying and resolving these difficulties.

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# THE ADAPTABILITY CHALLENGES OF HR ANALYTICS

<sup>1</sup>Pushpalatha.S.Patil, <sup>2</sup>Noor Afza

<sup>1</sup>Research Scholar, <sup>2</sup>Professor

<sup>1,2</sup>Department of Studies and Research in Business Administration,  
Tumkur University, Tumkur, Karnataka,

<sup>1</sup>pushpapatil.phd@gmail.com, <sup>2</sup>noorafza95@gmail.com

**Abstract:** *Analytics is a buzzword in the business world. Enormous data has given an opportunity for the businesses to streamline their decisions based on facts and figures. Employees support becomes a defining factor in adopting analytics. This study focuses on the challenges in the adoption of HR Analytics in the organization. Primary data has been collected from 50 HR professionals through questionnaires.*

*This perceptive study elaborates on major challenges in adopting HR Analytics and suggestions to overcome these challenges.*

*This empirical paper describes the major hurdles in the adoption of HR Analytics in the organization and hence throws light on key areas that organizations must concentrate on to make analytics feasible.*

**Keywords:** HR Analytics, Challenges, HR Professionals

## Introduction

Analytics is a powerful tool that supports managers to take transparent and reliable decisions. HR decisions can be made with the usage of factual data that makes it impactful in the organization. HR Managers can present their decisions with the support of data to the top management and clients, intensifying the acceptability of decisions. Acceptance and Adaptability of HR Analytics by HR professionals are dependent on factors like a hindrance to change, lack of specialists in analytics, lack of infrastructural support, budget constraint and inability to realize the importance of data.

According to the Theory of Planned Behavior, individual adoption can be determined at three levels Knowledge, Persuasion and Decision. Authors suggest that the adaptability of HR Analytics can be enhanced by improving self-efficacy, attitude towards HR Analytics and providing training for the utilization of HRA tools (Vargas et al., 2018). Synthesis models developed by integrating old to new literature showcased that the macro-environmental factor and individual factors influence the adoption of HRA (Shet, S. et al., 2021).

HR Analytics adoption by organizations has explored only high-level strategic factors but employee-level adoption is important to make HRA successful. The author has found the relationship between HR analytics adaptability and various employee factors like the ability to learn, availability and training of appropriate tools, peer support, valid data, and perception of employees. These factors are interdependent as well (Agarwal, H., & Raj, V. J. P. 2022) The authors have identified 14 different barriers to HR analytics adoption grouped into four categories, namely, data and models, software and technology, people and management. HR Analytics Workforce analytics.

HRA implementation encounters a lot of barriers to its effective adoption in the organization1. Usage of interdepartmental data like customer satisfaction, revenue, and cost per product2.Quality of the data3. Models fail to describe the linkage between HRA-drivensolutions and their impact on organizational effectiveness.4. Lack of software and incompatibility between systems5. Lack of skilled HR Analytics professionals (Fernandez, V., & Gallardo-Gallardo, E. (2021))

In this paper, an attempt has been made to study the major challenges faced by HR Professionals in adopting HR Analytics. Depending on the literature major components that impact the adoption of HR Analytics that are discussed in this paper are: 1.Lack of Technical Skills of HR Professionals, 2. Lack of Infrastructure, 3. Lack of Management support, 4. Lack of Training, 5. Lack of clarity on HR Analytics and 6. Data Inadequacy.

**Research Methodology**

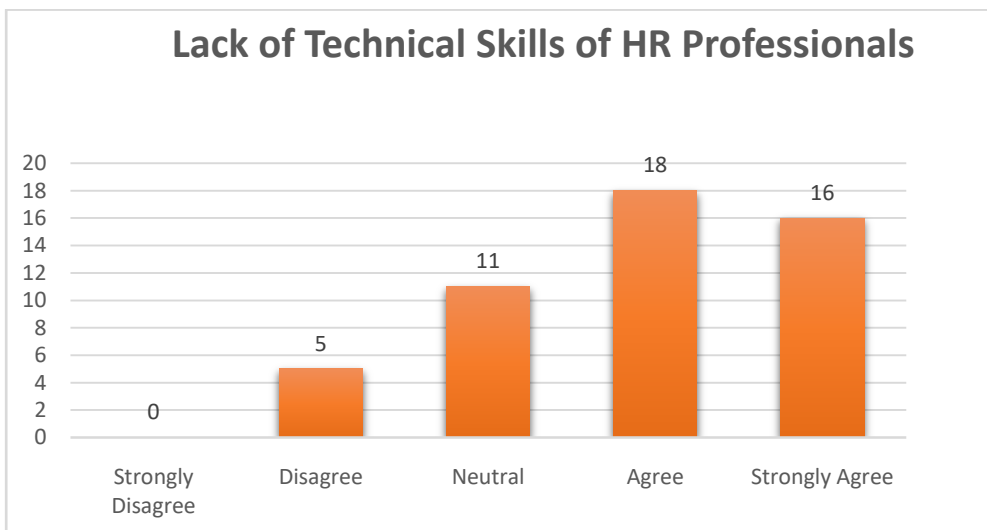
Data essential for the study is collected through questionnaires. Sampling units are HR professionals from Manufacturing and service sector, respondents are chosen in equal proportion to maintain uniformity among the sectors.

**Objectives**

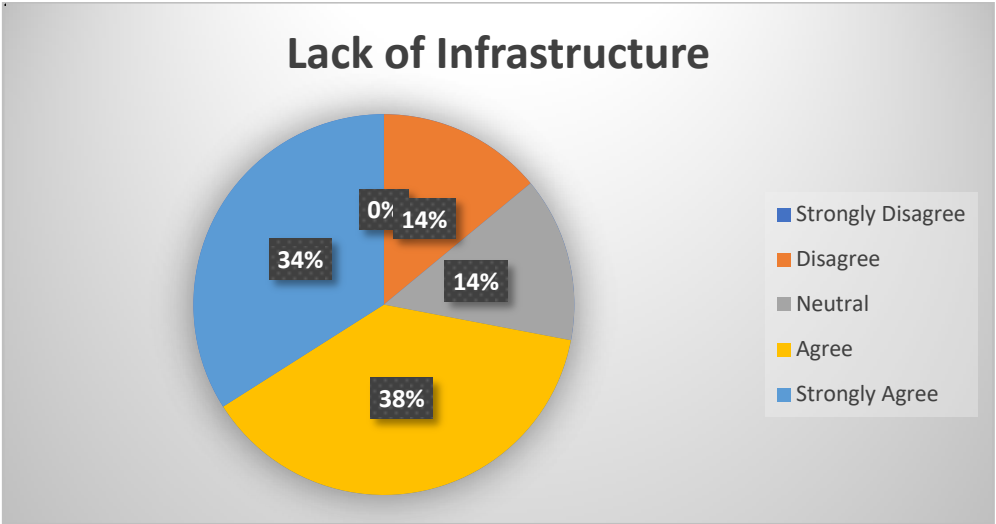
1. To explore the challenges to adapting HR Analytics
2. To analyze the challenges encountered by HR Professionals in adapting HR Analytics
3. To suggest measures to overcome challenges in adapting HR Analytics

**Data Analysis**

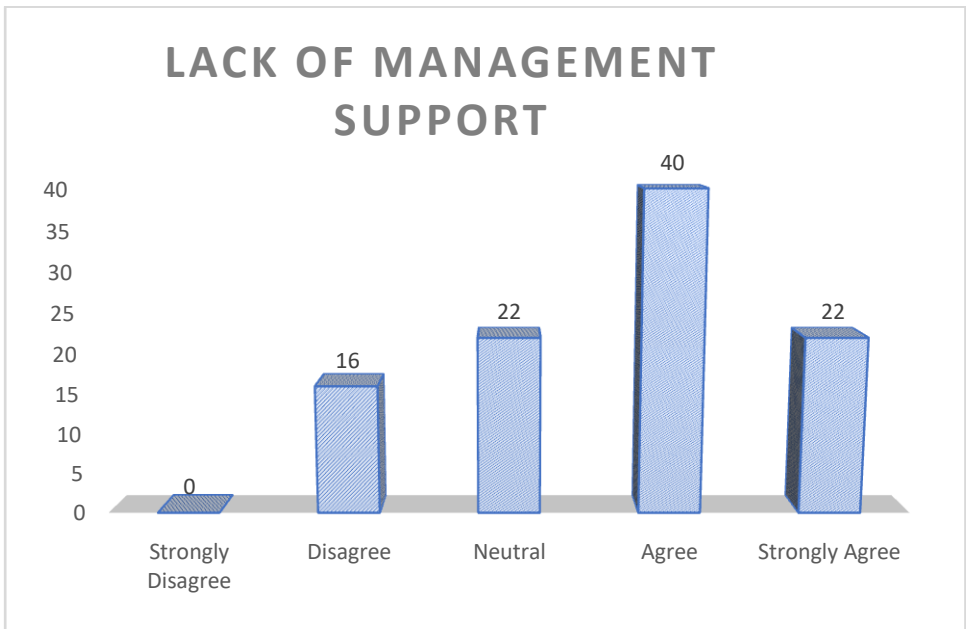
Data Analysis is done on definite challenges faced by HR professionals in adapting HR Analytics.



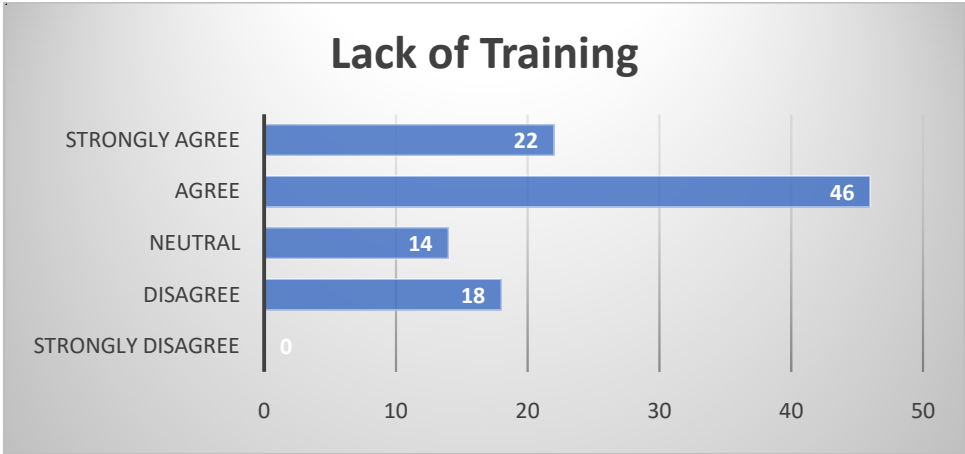
**Figure 1:** Lack of Technical Skills of HR Professionals



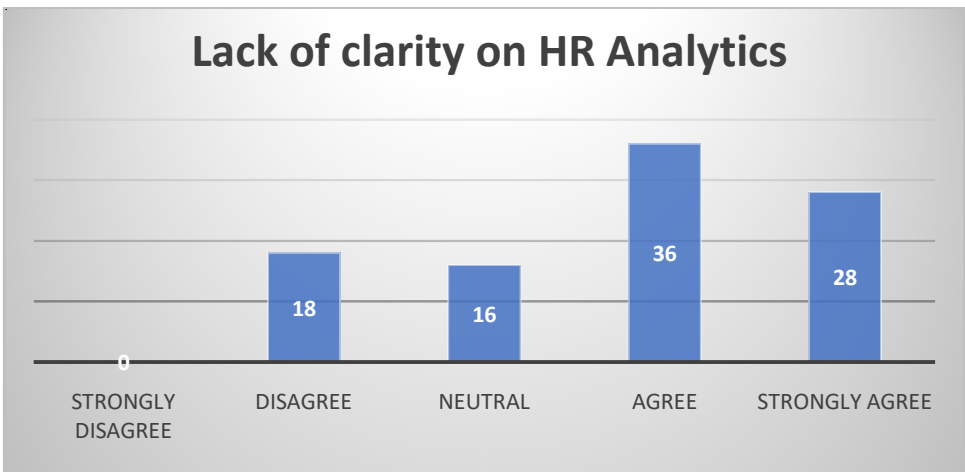
**Figure 2:** Lack of Infrastructure



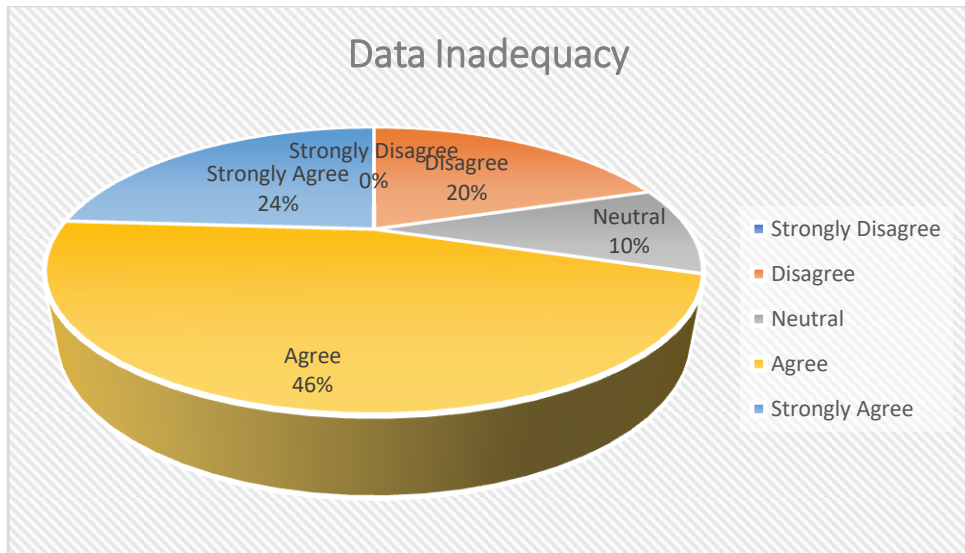
**Figure 3:** Lack of Management support



**Figure 4:** Lack of Training



**Figure 5:** Lack of clarity on HR Analytics



**Figure 6:** Data Inadequacy

## Findings

- Handling data requires analytical capability, HR professionals' hesitation to become acquainted with such skills makes it difficult for the organization to adopt HR Analytics.
- Many organizations fail to provide technological and physical tools, software, equipment and accessibility which plays a vital role in incorporating analytics in the organization.
- Management's inclination to support HR Analytics is fragile as they perceive the HR department itself as a major cost center.
- HR Professionals and data analysts who have a passion to learn HR Analytics may not get the required training which is important to incorporate their knowledge and expertise with the requirement of the organization.
- HR Department personnel may not have the clarity of HR Analytics concepts as there are no standard standalone HR Metrics that can be adopted readily by organizations.
- HR analytics decisions are always based on authenticated fine-grained quality data but acquiring such data is the biggest hurdle for HR department.

## Suggestion and Conclusion

Specific and qualitative data supports HR Managers to present reliable data in a meaningful manner that helps them to substantiate their decisions in front of top management and clients. To reap the benefits of analytics certain major hurdles that have to be overcome by organizations include the right attitude of HR Professionals to learn and implement analytics, providing the required infrastructural reforms like software for data filtering and refining, data analysis packages and physical infrastructure. Management should also consider inculcating the analytics culture in the HR department by supporting them with the right training, and sufficient time to learn, adopt and use.

HR Analytics can address major issues in the organization with factual data and can provide effective and efficient solutions to such problems if the management supports the HR with the required infrastructure, human resources and training, also HR professionals have the right attitude to learn, adopt and experience the analytics culture in the organization.

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# **A STUDY ON EVALUATION OF MARKETING STRATEGIES & CONSUMER SATISFACTION TOWARDS LAKME COSMETIC PRODUCTS WITH SPECIAL REFERENCE TO CHITRADUGA**

**Dr. Leelavathi. K.**

Assistant Professor of Commerce,  
Govt. Arts College (Autonomous), Chitraduga-577501.  
leelavathikanur@gmail.com

**Abstract:** *Marketing is perhaps the most complex and challenging function performed by every business firm. Marketing is the process of exchange involving two distinct aspects namely, 'Mental' and 'Physical'. Cosmetics have become an integral product of our day to day life. It is difficult to imagine given a single day without the use of cosmetics. Each and every member of the society irrespective of age, sex, status, income etc uses this product called 'cosmetics' it has become more of a 'necessity' than a 'comfort' or 'luxury'. Cosmetics are mainly used by the female section in the society. The main purpose of using cosmetics is to enhance the beauty. Its other purpose is also to maintain good texture of the skin. With growing environmental pollution it is very necessary to look after health specially the skin which is most exposed and the best method is the use of cosmetics. Cosmetics have the solution for each and every problem right from pimples and blackheads to wrinkles. Not only the consumers are benefited but also the wholesalers, retailers and dealers earn the profit margin in high sales of cosmetics. The study of Lakme cosmetic products has a wide scope in the market of cosmetics. The scope of marketing of these products involves high efficiency and high quality products. The price of these products also matters in this case.*

**Keywords:** Marketing strategies, Consumer Satisfaction and Lakme Cosmetics Products.

## **Introduction:**

Marketing is perhaps the most complex and challenging function performed by every business firm. The term 'Marketing' is a very comprehensive one. Marketing thinking starts well before production commences and ends only after rendering after sale satisfaction. It is the set of those activities necessary and incidental to bring about exchange relationships. It encompasses and their values are determined in monetary units. It is that phase of business activity through which human wants are satisfied by the exchange of goods and services. It is the skill of selecting and fulfilling consumer desires in such a way that a dose of money put in brings back maximum return. Thus, Marketing is the process of exchange involving two distinct aspects namely, 'Mental' and 'Physical'. Mental involvement in that the seller must know what buyers Want? At what price? When? Where? Of what quality? In what quantity? Similarly, at what price? Where? When? The physical involvement implies the actual movement of goods and services from the points of production to the points of consumption. To use economic jargon, marketing is nothing but creation of utilities place time and ownership.

Cosmetics have become an integral product of our day to day life. It is difficult to imagine given a single day without the use of cosmetics. Each and every member of the society irrespective of age, sex, status, income etc uses this product called 'cosmetics' it has become more of a 'necessity' than a 'comfort' or 'luxury'.

Cosmetics are mainly used by the female section in the society. The main purpose of using cosmetics is to enhance the beauty. Its other purpose is also to maintain good texture of the skin. With growing environmental pollution it is very necessary to look after health specially the skin which is most exposed and the best method is the use of cosmetics.

The use of cosmetics has grown up to such an extent that we can even define our age {age defining-cream}.cosmetics have the solution for each and every problem right from pimples and blackheads to wrinkles. Not only the consumers are benefited but also the wholesalers, retailers and dealers earn the profit margin in high sales of cosmetics.

#### **STATEMENT OF THE PROBLEM:**

Lakme is the Asian largest cosmetics company; which through its regular research process is always in an innovative process to fulfill the requirements of the consumers. The maximum share of the market is being dominated by the organized sector. Lakme is still the pioneer in the organized cosmetics company but the changing preferences of the consumers is the apex point when the company is aware of and always endeavors to fulfill the demand of the consumers. The statement of the comparative study of the market potentially and consumer perception with the special reference to other cosmetics.

The study will analyze the market potential includes these market share, selling and purchasing of the share, analysis of the brand awareness, consumer preference their satisfaction level and the present status at the cosmetics company in Chitradurga.

#### **NEED FOR THE STUDY:**

The study is being undertaken to analyze the present status of the product of Lakme cosmetics products in Chitradurga.

#### **SCOPE OF THE STUDY:**

The marketing is not a simple subject to understand. It involves a number of complications. The study of Lakme cosmetic products has a wide scope in the market of cosmetics. The scope of marketing of these products involves high efficiency and high quality products. The price of these products also matters in this case. The area of the study has been restricted to Chitradurga. The report gives information in general attitude of marketing towards lakme products.

#### **OBJECTIVES OF THE STUDY:**

- 1) To know the popularity of the brand.
- 2) To study about the quality of product.
- 3) To know the customer satisfaction towards the price and quality of lakme products.
- 4) To study the advertisement effect.
- 5) To know the competition and sales performance of lakme products
- 6) To suggest the existing problems with the product.

## **METHODOLOGY:**

To achieve the objectives mentioned above, following steps in marketing research has to be followed. At first exploratory research method is used. From these required information will be collected from various sources. The various are:-

- 1) Primary source
- 2) Secondary source

### **1) Primary source:-**

**a)** Personnel interview, contacting the respondents, ask questions and recording the responses.

**b)** Interview with the dealers

1. To know the sales methods adopted by them.
2. To get advice about marketing strategy adopted by the company.
3. To get advice about the products of the company
4. To know about the new product of Lakme coming in to market.

**c)** Consumers quarry by questionnaire

1. Types of products preferred by the respondents.
2. The facts affecting consumers to buy lakme products.
3. To get opinion about the quality and other aspect of the product.
4. To get suggestion for the improvement of the product.

### **2) Secondary source:-**

- a) Magazines.(women's era, filmfare, femina etc)
- b) Company catalogues and booklets
- 3) Text books
- 4) Advertising evaluation data,
- 5) E-sources
- 6) News paper (Indian Express, Times of India, Business Line)

**SAMPLING DESIGN:** A sample design is a total structure and plan of the sampling exercise. It will have details of the sampling technique used, the size of the sample, the type of the sample and any other relevant details.

**SAMPLE UNIT:** The sample unit was buyers of various users of cosmetics products Students, House wives, business women and ladies employee.

**SAMPLE SIZE:-** 100 consumers from different area of Chitraduga were surveyed.

### **LIMITATIONS OF THE STUDY:**

As the Lakme company has its own goodwill in market all over the country for convenience sake Chitraduga was selected as the sample market.

1. Lack of time for survey.
2. The study confined only to Lakme Products in Chitraduga.

## ANALYSIS AND INTRPRETATION:

**Table-1:** Table showing age groups of respondents using cosmetics

Age group	No. of Respondents	Percentage
15-20yrs	27	27%
20-25yrs	43	43%
25-30yrs	17	17%
Above 30yrs	13	13%
Total	100	100%

**Source: Field survey**

### Analysis:

27% of the respondents were in the age group of 15-20 yrs, 43% of the respondents were in the age group of 20-25 yrs, 17% of the respondents were in the age group of 25-30 yrs and 13% of the respondents were in the age group of above 30 yrs.

### Interpretation:

As Lakme is youth brand majority of users were in the younger age group. It indicates that Lakme has attracted young generations who are beauty conscious and hence use cosmetics to enhance their beauty.

**TABLE-2:** Table showing the occupation of the respondents using cosmetics

Occupation	No. of Respondents	Percentage
Students	53	53%
House wife	17	17%
Business	8	8%
Employee	22	22%
Total	100	100%

**Source: Field survey**

### Analysis:

53% of the respondents were students, 17%of the respondents were housewives, 8% of the respondents were business women's and 22%of the respondents were employees.

### Interpretation:

Survey indicated that majority of Lakme users were students, users in the younger age group gave more importance to cosmetics by comparing to housewife's, business women's and employees.

**TABLE-3:** Table classification based on the qualification of the respondents

Qualification	No. of Respondents	Percentage
SSLC	12	12%
Under graduate	48	48%
Post graduate	22	22%
Others	18	18%
Total	100	100%

**Source: Field survey**

**Analysis:**

The table shows that most of the user's are under graduate i.e, 48%, SSLC were 12% and post graduate were 22%.

**Interpretation:**

Survey indicated that majority of Lakme users were under graduate rather than SSLC and others.

**TABLE-4:** Table classification of different brands of cosmetics used by the respondents regularly

<b>Brand</b>	<b>No. of respondents</b>	<b>Percentage</b>
Lakme	63	63%
Maybeline	7	7%
Revlon	12	12%
L'Oreal	18	18%
Total	100	100%

**Source: Field survey**

**Analysis:**

The table shows mixed results, 63% of the respondents use Lakme, 18% of the respondents use L'Oreal, 12% of the respondents use Revlon and 7% of the respondents use Maybeline.

**Interpretation:**

This shows that Lakme products are most popular brand in the market followed L'Oreal and Revlon.

**TABLE-5:** Table classification of the usage of specially branded products by the respondents

<b>Particulars</b>	<b>No. of Respondents</b>	<b>Percentage</b>
User's of Lakme	82	82%
Non-user's of Lakme	18	18%
Total	100	100%

**Source: Field survey**

**Analysis:**

82% of the respondents were using specific brand, and 18% of the respondents are not using Lakme brand.

**Interpretation:**

The survey indicates that 82% of the respondents were Lakme users and 12% of the respondents use any other brand that was available.

**TABLE-6:** Table classification of the sources by which the respondents were introduced to the Lakme products

<b>Source</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Friends	18	18%
Advertisements	62	62%
Retailers	12	12%
Others	8	8%
Total	100	100%

**Source: Field survey**

**Analysis:**

The analysis shows that 62% of the respondents were introduced through advertisement, 18% of the respondents through friends, 8% of the respondents through others, and 12% of the respondents through retailers.

**Interpretation:**

The major source of information for Lakme product user's came from advertisement and friends. Dealers were a minor source of information to users. Hence the company should strengthen its distribution.

**TABLE-7:** Table classification of factors considered by the respondent for the selection of Lakme products

<b>Factors</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Quality	17	17%
Price	14	14%
Package	12	12%
Advertisement	41	41%
Influenced by existing users	16	16%
Total	100	100%

**Source: Field survey**

**Analysis:**

41% of the respondents considered quality for the selection of the product Lakme,14% of the respondents considered price,12% of the respondents considered package,17% of the respondents considered advertisement and 16% of the respondents are influenced by existing user's.

**Interpretation:**

The most important consideration by the respondents in purchasing cosmetics is the quality of the product. It can be interpreted that users of the products are very conscious about quality and hence there is on this aspect.

**TABLE-8:** Table Ranking of the Lakme products by the respondents

<b>Ranking</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Excellent	21	21%
Good	37	37%
Satisfactory	31	31%
Poor	11	11%
Total	100	100%

**Source: Field survey**

**Analysis:**

37% of the respondents refer the product as good, 31% of the respondents as satisfactory, 21% of respondents as excellent and 11% as poor.

**Interpretation:**

Majority of the respondents considered the Lakme products good as compared to other brands. It can be interpreted that almost all users are satisfied by Lakme products.

**FINDINGS and SUGESSTIONS**

**FINDINGS:**

1. Majority of the respondents were in the age group of 20-25 yrs.
2. Majority of the respondents were students.
3. Most of the user's are under graduate i.e, 48%.
4. Majority of the respondents use Lakme cosmetics products.
5. Majority of the respondents were using specific brand i.e., Lakme cosmetics products.
6. Majority of the respondents were influenced through advertisement.
7. Majority of the respondents considered quality for the selection of the product Lakme.
8. Majority of the respondents refer the product as good.

**SUGESSTIONS**

The following are some of the suggestions given to the company in the marketing of Lakme products.

**a) Advertising**

In the present world technology, advertising plays an unique role in marketing of a product. The origin i.e. the manufacture and marketing of many products which started under small scale industries has today emerged as one of the leading industries as a result of advertising. It is only one mediator between producer and ultimate consumer, which makes the consumer to see, to think and to feel about the product and it also attracts, just like magnet to the consumers towards the product. This shows the importance of advertising can create wonders in the market. Advertising may be means of television or by using broadcast media or by using magazines as the media. By survey it was revealed that television media is much popular i.e. out of 100 houses 99 houses will have television and most of products were introduced to the customers by this method. Next is magazines which advertises the product effectively, it touches the heart of customers. Even news papers can be used to have effective e advertising, so it is advisable that company must give importance to advertising which will boost the sales and popularity of the product.



## **b) Sales Promotion**

Sales promotion also plays an important role in marketing a product. It is the another way of promoting the sales. It is the special type of promotional activity carried on in such a way as to stimulate consumer buying. Sales promotion carried along with advertising and publicity creates effectiveness in the selling activity. Even this is not undertaken at the expected level.

The company should give importance to the following:

- ❖ Free offers should be given such as if u buy one nail enamel you will get another free.
- ❖ By providing special discount during festival seasons.
- ❖ By providing special prize offers on buying multi packs.
- ❖ By Providing free gifts, free coupons to whole sale dealers and retailers because They are the people who actually sell the product and they must be mentioned to sell more specially.

## **c) Product Promotion**

- ❖ Though majority of the respondents are satisfied with quality of lakme products. A few respondents feel that quality it not upto their expectations. So the Company should make efforts to maintain consistency in quality.
- ❖ The company should use less chemicals so that the products can be stored for long time.

## **d) Price Promotion**

Compared to other branded cosmetic products the prices of lakme products are quite reasonable but a few respondents has suggested to reduce the prices of the product therefore the company should think of reducing the price to the extent possible there by more people may go for lakme products even a lower income group people may go for the product.

## **e) Attractive Packing**

Packing plays the most vital role in field of marketing the cosmetics. Attractive packages maintains brand image and creates an interest in the minds of the customers an impulse to buy.

- The company must also consider the following change in packing:
- It should attract new customers and expand the market.
- It should create stimuli for demand.
- It should create brand image.
- It should scope with new innovation in the field of packaging.

## **f) Innovations**

Now a days the innovations have become an important part of the company's marketing strategy. Both establishing and established firms are inventing new products or bringing about changes in their original products to increase and maintain the consumers. Now a day's people expect something new. They purchase such products, which have something special in them. Therefore innovations are a must.

## **g) Distribution**

- The distribution network of the company is good, but rather than this, the company should make quick flow of products to the distributors. In any case of delay in supply, people will start moving to next best alternative.
- The company should take steps to supply its products to distributors within 3 to 4 days.
- The company should appoint effective sales persons in rural and district areas to boost the sales.
- Periodical survey of the market is necessary by the company to know the changing attitudes regarding to products.

## **Conclusion:**

Cosmetics have a great feature in the field of marketing, because cosmetics have become part of human being. With the increase in literacy, the impact of western culture, the television and the emergence of discriminating youth have increased. Whether cosmetics results in permanent or temporary looks, every one prefer cosmetics to feel fairer, beautiful etc. hence the firms in the industry also have a great feature if managed properly.

Even though brand names help in marketing a product, it is not true that brand name alone is a unique selling proposition of cosmetics worldwide. The brand name definitely creates images of qualities and company good will however they cannot replace good product quality and sound marketing strategies.

It can be concluded that eventually every brand must satisfy the consumers need in the terms of aspiration and quality at an affordable price. If the firm considers these points and improves its marketing strategies it has a bright and glorious future.

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**SUSTAINABILITY OF EDWARDS COMPULSIVE BUYING SCALE:  
APPLICATION OF FACTOR ANALYSIS**

**Dr. Gireesh Y M**

Assistant Professor, Department of MBA  
Siddaganga Institute of Technology, Davanagere, India, 9663081501  
gireeshym@sit.ac.in

**Mr Sriharsha V J**

Research Scholar, Department of MBA,  
Siddaganga Institute of Technology, Davanagere, India, 9164518069  
sriharshavj@jitd.in

**Mr Raghu H O**

Department of MBA  
Jain Institute of Technology, Davanagere, India, 7892580368  
raghuho0508@gmail.com

***Abstract***

This paper highlights the importance of Compulsive buying. Buying has become enjoyable past time in the current scenario. Edwards Compulsive Buying scale is being considered to access buying behavior which contains 25 items. Factor analysis on the Edwards Compulsive Scale which reduced the items into 16. Study identified that most of the compulsive buying components are emotionally connected with female and younger population are more inclined for such behaviors.

**Keywords**—Compulsive Buying, Edwards Compulsive Buying Scale

**INTRODUCTION**

Shopping is fundamental component of both everyday life and our economy in current consumer society. Customers have several alternatives, and shopping serves greater than purchasing purchases. Shopping, more specifically, has grown into a pleasurable pastime additionally a kind of entertainment. The effect is, tendency in majority of people may misuse, leading to a dangerous mental disease known as compulsive buying behaviour (CBB). The impacts of compulsive purchase behaviour are underestimated among the general population.

The Compulsive Buying Scale (CBS) is a psychological measurement tool used to assess compulsive buying behavior. It was identified by Faber and O'Guinn in 1992 and is widely used in research settings to evaluate the intensity of compulsive buying tendencies in individuals.

The CBS consists of statements that individuals respond to based on their own experiences and behaviors. The scale typically contains around 20-25 items, and respondents rate to which they agree or disagree (e.g., from strongly agree to strongly disagree).

Here is an example of some statements that might be included in the Compulsive Buying Scale:

1. "I often buy objects that I don't
2. "I have trouble controlling my urge to buy."
3. "I feel anxious or restless if I am unable to go shopping."
4. "I have accumulated a lot of debt due to my buying habits."
5. "I buy things to cheer myself up when I'm feeling down."
6. "I experience a sense of excitement or thrill when making a purchase."

On the responses, scores are calculated to identify the compulsive buying behavior level. Higher scores indicate more tendency towards compulsive buying.

It's important to understand that the CBS is just one among available tools for assessing compulsive buying behavior. If you're interested in using or accessing the scale for research or clinical purposes, I recommend consulting the original research by Faber and O'Guinn (1992) or reaching out to a licensed psychologist or researcher familiar with the scale for guidance.

### **IMPORTANCE:**

Compulsive buying importance can be understood from multiple perspectives:

1. *Psychological Impact:* Compulsive buying can have significant impact on individual's psychological well-being. It is often associated with feelings of guilt, shame, and regret after making impulsive purchases. The behavior can also contribute to increased stress, anxiety, and depression, particularly when it leads to financial problems or interpersonal conflicts.
2. *Financial Consequences:* Compulsive buying can create more financial consequences for individuals and their families. Excessive spending on unnecessary items can lead to debt, financial instability, and difficulties in meeting essential financial obligations. It can hinder long-term financial goals such as savings, investments, or retirement planning.
3. *Interpersonal Relationships:* Compulsive buying behavior can strain interpersonal relationships. Financial conflicts arising from overspending can lead to arguments, loss of trust, and relationship dissatisfaction. The focus on shopping and acquiring material possessions may also divert attention and time away from nurturing meaningful relationships.
4. *Consumer Culture and Material Regenerate response:* closely linked to consumer culture and materialism, where Individuals may derive a sense of identity, self-worth, or happiness from material possessions. This emphasis on acquiring goods can contribute to a cycle of continuous desire for more, often leading to dissatisfaction with existing one and perpetuating the compulsive buying behavior.
5. *Environmental Impact:* Compulsive buying contributes to resource consumption and waste generation, leading to environmental consequences. The production, packaging and disposal of goods have ecological footprints, including energy consumption, pollution, and resource depletion. By reducing compulsive buying, individuals can make conscious choices and contribution towards sustainable consumption patterns can also be made

Understanding the importance of compulsive buying allows researchers, clinicians, and individuals to identify the underlying causes, develop appropriate interventions, and promote healthier consumer behaviors. Recognizing and managing compulsive buying behavior can enhance psychological well-being, financial stability, and overall quality of life.

### **SCOPE:**

1. *Prevalence:* The scope of compulsive buying relates to how common the behavior is within a particular population. Studies have identified that compulsive buying varies across cultures and populations, with estimate range from 4% to 8% of the general population. Understanding the prevalence helps identify the scale of the issue and its impact on individuals and society.

2. *Demographic Factors:* Exploring the scope of compulsive buying across different demographic factors like gender, socioeconomic status, and cultural background can provide insights and how the factors can influence prevalence and manifestation of the behavior. Some studies highlight that compulsive buying may be more prevalent in women than men, but further research is needed for understanding patterns more comprehensively.

3. *Psychological Factors:* Research has linked compulsive buying to factors like low self-esteem, materialism, impulsivity, emotional distress, and certain personality traits. Understanding these psychological factors contributes to understanding of compulsive buying.

4. *Impact on Well-being:* Evaluating the scope includes assessing its impact on Individuals' overall well-being. This can involve examining the psychological distress, financial difficulties, and impairment in functioning experienced by compulsive buying individual tendencies. Research on compulsive buying helps highlight the significance of the issue and the need for Intervention and support

By studying the scope of compulsive buying, researchers, policymakers, healthcare professionals can get insights on the prevalence, factors, and impact of the behavior. This knowledge can inform the prevention strategies, interventions, and support services to address the negative consequences associated with compulsive buying.

### **SIGNIFICANCE:**

The significance of compulsive buying lies in its impact on individuals, relationships, and society . Some key points highlighting its significance:

1. *Psychological Well-being:* Compulsive buying can have detrimental effects on an individual's psychological well-being. It is often linked with negative emotions such as guilt, shame, anxiety, and depression. The constant urge to buy and the subsequent feelings of regret or dissatisfaction can contribute to emotional distress and a diminished sense of self-control.

2. *Financial Consequences:* Compulsive buying behavior can lead to significant financial problems. Individuals who engage in compulsive buying often accumulate debt, struggle to meet financial obligations, and experience financial stress. This can result in long-term financial difficulties, such as bankruptcy, foreclosure, or strained relationships due to financial conflicts.

3. *Impaired Relationships:* Compulsive buying behavior can strain interpersonal relationships. Financial conflicts arising from overspending and debt can lead to arguments, trust issues, and relationship dissatisfaction. The focus on material possessions and shopping can divert time and attention away from nurturing meaningful connections with loved ones.

4. *Consumer Culture and Materialism:* Compulsive buying behavior is intertwined with consumer culture and materialistic values. It reinforces the notion that happiness and self-worth are derived from acquiring possessions, leading to a never-ending pursuit of more. This perpetuates a cycle of consumption and contributes to the overconsumption of resources, environmental degradation, and unsustainable practices.

5. *Societal Impact:* Compulsive buying has broader societal implications. It fuels consumerism, encourages excessive production, and contributes to waste and environmental damage. It also impacts the economy as individuals may prioritize unnecessary purchases over savings or investments, which can create implications for personal financial stability and overall economic health.

Recognizing the significance of compulsive buying is crucial for developing interventions, support systems, and strategies to address and prevent the negative ramifications associated with behavior. By promoting awareness, providing education, and offering therapeutic interventions, individuals can learn healthier ways to manage their emotions, impulses, and consumer behaviors, leading to improved psychological well-being, financial stability, and more sustainable consumption patterns.

#### **ADVANTAGES:**

While compulsive buying is generally considered problematic and can have negative consequences, it's important to remember that there are no inherent advantages or benefits to compulsive buying behavior. Compulsive buying is distinguished by an inability to control or resist the urge to make unnecessary purchases, often leading to financial, emotional, and social difficulties.

However, it's worth mentioning that certain industries or businesses may benefit from compulsive buying behavior. These industries may include:

1. *Retail and Consumer Goods:* Companies that sell products or services can profit from individuals with compulsive buying tendencies. The constant desire for new purchases and the inability to resist buying can drive sales and contribute to company revenues.

2. *Advertising and Marketing:* Marketing and advertisement strategies that tap into consumers' desires, emotions, and impulsive tendencies can influence and manipulate individuals with compulsive buying behavior. This can lead to increased sales and profitability for these industries.

Many financial gains for certain industries do exist. The advantages of compulsive buying behavior are limited and short-term. The long-term consequences for individuals, including financial burdens, emotional distress, and relationship strain, outweigh any potential benefits associated with compulsive buying.

## **DISADVANTAGES:**

1. *Financial Problems:* Compulsive buying often leads to financial difficulties. Individuals who engage in compulsive buying tend to spend beyond their means, accumulate debt, and experience financial instability. They may struggle to pay bills, meet financial obligations, or save for the future. This can result in long-term financial problems, such as bankruptcy, foreclosure, or limited financial opportunities.

2. *Emotional Distress:* Compulsive buying can contribute to emotional distress. Individuals may experience feelings of guilt, shame, regret, or anxiety after making impulsive purchases. The temporary pleasure or excitement associated with buying is often followed by negative emotions, creating a cycle of emotional turmoil. This can lead to decreased self-esteem, increased stress levels, and overall emotional dissatisfaction.

3. *Impaired Relationships:* Compulsive buying behavior can strain relationships with family, friends, and partners. Financial conflicts arising from overspending, debt, and financial secrecy can lead to arguments, mistrust, and relationship dissatisfaction. The excessive focus on shopping and material possessions can also divert time and attention away from nurturing meaningful connections, leading to strained interpersonal relationships.

4. *Decluttering and Waste:* Compulsive buying often leads to the accumulation of unnecessary possessions. Over time, individuals may find themselves surrounded by clutter and a sense of overwhelming material possessions. This not only adds physical stress but also contributes to waste and environmental impact, as unused items are discarded and resources are consumed unnecessarily.

5. *Impact on Overall Well-being:* Compulsive buying can negatively affect overall well-being. The constant focus on acquiring material possessions and the temporary satisfaction derived from shopping can distract individuals from pursuing meaningful goals, hobbies, or personal growth. This can lead to a lack of fulfillment, decreased life satisfaction, and a diminished sense of purpose.

It's important to recognize these disadvantages and the negative impact of compulsive buying in order to address and manage the behavior. Seeking professional help, practicing mindful spending habits, and developing healthier coping mechanisms can help individuals overcome compulsive buying tendencies and improve their overall well-being and financial stability.

## **LITERATURE REVIEW**

This seminal study introduced the Compulsive Buying Scale (CBS) and provided initial validation of the scale. The authors developed a 28-item self-report scale to measure compulsive buying propensity and conducted several studies to identify the scale's reliability and validity.

*Dittmar, H. (2005).* This study examined the properties of the CBS and investigated the predictors of compulsive buying behavior (*including gender, age, and materialistic values*). The results supported the reliability and validity and provided insights into the psychological factors associated



*Mueller, A., Mitchell, J. E., Crosby, R. D., & Gefeller, O. (2009).* This study aimed to determine the prevalence of compulsive buying behavior and examine its linkage with sociodemographic variables. The findings highlighted the compulsive buying and its linkage into demographic factors and depressive symptoms.

*Maraz, A., Eisinger, A., Hende, B., Urbán, R., Paksi, B., Kun, B., & Demetrovics, Z. (2015).* This study compared three different scales for measuring compulsive buying behavior, including the CBS, and examined their psychometric properties. The research also investigated the prevalence of compulsive buying in the general population and shopping centers. The CBS demonstrated good psychometric properties, and the findings shed light on the prevalence and measurement of compulsive buying.

*Trotzke, P., Starcke, K., Pedersen, A., Müller, A., & Brand, M. (2015).* This study evaluated three different scales for measuring compulsive buying, including the CBS, and compared their psychometric properties. The research aimed to identify the most suitable scale for assessing compulsive buying behavior. The CBS showed satisfactory reliability and validity, contributing to the understanding of compulsive buying measurement.

*Faber, R. J., & O' Guinn, T. C. (1992).* These studies represent a sample of the literature that has utilized or evaluated the Compulsive Buying Scale (CBS). They highlight the scale's reliability, validity, and use in assessing and understanding compulsive buying behavior in various populations. Further research has built upon these foundations, expanding our knowledge of compulsive buying and its measurement.

*Anirban Mukhopadhyay and Gita Venkataramani Johar* study looks at how avoiding a purchasing temptation once affects decisions taken in the face of adversity of chance to buy or consume a tempting good later on. The salience of restraint at an earlier chance for impulsive purchases encourages customers to recompense, later by selecting indulgence as shown by four studies using scenarios and real decisions.

*Joël Billieux et al* study says Unrestrained and excessive shopping that causes stress in one's life and the lives of their loved ones is known as compulsive purchasing. Few research have looked at the connections between compulsive purchasing and the multidimensional notion of impulsivity, despite in reality it is commonly accepted that uncontrollable purchase is impulse control illness.

*Donald et al* study says the history of family and mental co-morbidity of compulsive shoppers volunteered for pharmaceutical research were investigated by the authors. unwise spending and purchasing habits that result in impairment are characteristics of compulsive buying.

## **OBJECTIVE OF THE STUDY**

The objective of the study is to inspect the reliability and factor formation of the *Edwards compulsive buying questionnaire*.

## RESULTS

Customers from a limited group of Davanagere city's retail businesses were included in sample. 190 of 285 participants (or 63%) were women. With adolescent participant of 18 years old and elderly of 77 years old, the average age is 30.2 years (S.D. 11.1). 48% had completed matriculation, and 44% were graduates. Overall, 14.2% of people having below average, 42.9% claim to have above average, and 43.8% have an average level of life. 47% of individuals had full-time jobs, while 38% were jobless. In all, 37% (105 people) shop minimum monthly, 32% (91 people) weekly, and 6% (17 people) daily.

### Edwards Compulsive Buying Scale (ECBS)

#### *Confirmatory factor analysis (CFA)*

The CFA(N=285) in Sample was used to test the ECBS factor structure. Based on current sample, the data appeared that the 13-item 5 factor model was unfit ( $\chi^2=485$ , d.f.=55,  $p<0.001$ ; CFI=0.92; TLI=0.88; SRMR=0.06; RMSEA=0.08).

#### *Exploratory factor analysis (EFA)*

We ran EFA to examine underlying variables. The items that didn't match the criterion of compulsive buying were eliminated. The answer offered the data's initial good match. ( $\chi^2=738$ ,  $p<0.001$ ; CFI=0.94, TLI=0.9, SRMR=0.03, RMSEA=0.06). Due to loadings on the same variables, the derived factors were challenging to understand. Four-factor solution ( $\chi^2=884$ ,  $p<0.001$ ; CFI=0.93, TLI=0.90, SRMR=0.03, RMSEA=0.06) was selected. Items having factor loadings less than 0.3 were eliminated. Other half of the sample ( $\chi^2=237$ ,  $p<0.001$ ; CFI=0.95, TLI=0.93, SRMR=0.048, RMSEA=0.045). Uncontrolled expenditure is referred to in Factor 1 (Uncontrollable). The compulsive desire and mood-lifting effects of shopping are referred to in Factor 2 (Frame of Mind Modification). Factor 3 (Culpability) comprises elements relating to guilt and disappointment. Factor 4 (Irrelevant Buying) highlights the emphasis on the shopping activity, whereas The Edwards Compulsive Buying Scale Revised (ECBS Table 1) consisted of 16 of 29 items. Cronbach's alpha for the whole scale was 0.87.

**Table 1 Factor loadings of ECBS**

New rank	Item	EFA				CFA Loading
		F1	F2	F3	F4	
1	My ways of managing money are making disorder in life	0.81	-0.07	0.09	-0.03	0.54
2	I ordinarily burn through all my cash left in covering bills every month	0.78	-0.01	-0.10	-0.13	0.41
3	I simply need to burn through cash left	0.57	0.17	-0.03	0.17	0.81
4	I feel 'excited' when I go on a purchasing binge	-0.06	0.84	0.01	-0.04	0.71

5	Shopping is entertaining	-0.06	0.76	-0.08	-0.09	0.55
6	I am engrossed with spending and shopping	0.14	0.58	0.13	0.00	0.70
7	I can't avoid deals signs, I simply need to look at them	0.06	0.54	0.01	0.01	0.62
8	I go out to shop and purchase things as frequently as possible	0.07	0.52	0.01	0.10	0.60
9	I go on purchasing gorge when I am vexed, disheartened, discouraged, or furious	0.01	0.44	0.19	0.17	0.63
10	I visit shop and purchase things for celebration	0.03	0.40	0.16	0.14	0.55
11	I feel regretful or embarrassed after I go on a purchasing gorge	-0.01	-0.01	0.88	-0.03	0.87
12	I feel restless after I continue purchasing gorge	0.14	0.06	0.80	-0.05	0.85
13	I conceal my ways of managing money that I purchase from family or companions	-0.01	-0.02	0.45	0.20	0.59
14	I purchase things which are not necessary	-0.01	-0.06	0.06	0.79	0.69
15	I spend and shop in any event, when I really want nothing	0.02	0.14	0.05	0.68	0.87
16	Many of the things I purchase are rarely utilized	-0.01	-0.05	0.10	0.56	0.44

Note: All items were measured on a five-point Likert scale. 1 -strongly disagree, and 5 -strongly agree.

## **CONCLUSION**

The ECBS-R conforms to the idea of CBB and comprises the components of compulsive purchasing is most emotionally connected. This measure yields the largest percentage of females with CBB and offers a medium estimate of CBB since it corresponds to current rather than historical buying behaviours.

Study identified those with Compulsory Buying behaviour were probably younger than people without CBB, even there was linear relationship between age and compulsive purchasing propensity at a group level. Additionally, women are more likely than men diagnosed with CBB, particularly by the ECBS-R, which is in line with other research put forward women are prone than men to have shopping disorders.

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## **GREEN FINANCE FOR A RESILIENT FUTURE: PAVING THE WAY TO SUSTAINABILITY**

**Dr. Periasamy P** Associate Professor of Finance, School of Management, Presidency University Bangalore.

**Dr. Dinesh.N** Assistant Professor, OB and HR Area, CMS Business School, Jain Deemed to be University, Bangalore

### **Abstract:**

Green Finance would be order of the day, hereafter, as the earth is going to collapse because of the global warming and other nature inhumane treatment of the earth. Unless we take some initiative of protecting the environment around us, we might not find a place to live for our next generations to come. Thereby this Book Chapter has been prepared to address the Green Finance role on resilient future based on climate change mitigation, Environmental and Social Governance - ESG integration, Unlocking Innovative Solutions and in the process of finding solutions for green finance issues, collaboration among various stakeholders, Policy Support, and Financial Innovation to pave the way for Governing sustainability. Green financing is to increase level of financial flows (from banking, micro-credit, insurance and investment) from the public, private and not-for-profit sectors to sustainable development priorities. A key part of this is to better manage environmental and social risks, take up opportunities that bring both a decent rate of return and environmental benefit and deliver greater accountability.

**Key words:** Green Finance, Sustainability, Climate Change, ESG Integration. Financial Innovation, Policy support, Banking, Micro-credit, insurance, Investment.

### **Introduction:**

In a world grappling with the challenges of climate change and environmental degradation, the need for sustainable solutions has never been more pressing. Green finance, an emerging field that aligns financial activities with environmentally friendly objectives, offers a beacon of hope for a resilient future. By directing capital towards sustainable projects and enterprises, green finance not only mitigates climate risks but also promotes economic growth and social well-being. This article delves into the concept of green finance and explores its potential to shape a more sustainable and resilient world.

### **Understanding Green Finance:**

Green finance encompasses financial products, services, and investments that support environmentally friendly projects and practices. Its primary goal is to shift capital flows towards activities that have a positive impact on the environment, including renewable energy, energy efficiency, sustainable infrastructure, clean transportation, and ecosystem conservation. By incorporating environmental considerations into financial decision-making, green finance seeks to create a harmonious balance between economic development and ecological preservation.

## **The Role of Green Finance in Building Resilience:**

**Climate Change Mitigation:** Green finance plays a pivotal role in addressing climate change by facilitating the transition to a low-carbon economy. By providing funding for renewable energy projects, energy-efficient technologies, and sustainable agriculture, green finance reduces greenhouse gas emissions and promotes a sustainable energy future. These investments not only mitigate climate risks but also offer long-term financial stability.

**Risk Reduction and Adaptation:** As climate change intensifies, businesses and communities face increasing risks from extreme weather events, resource scarcity, and ecosystem degradation. Green finance enables proactive measures to enhance resilience and adapt to these challenges. It supports investments in climate-resilient infrastructure, water management systems, and nature-based solutions, such as reforestation and coastal protection. By building resilience, green finance minimizes the economic and social impacts of climate-related disruptions.

**Environmental and Social Governance (ESG) Integration:** Green finance emphasizes the integration of environmental and social factors into investment decision-making. Through the adoption of ESG criteria, investors can assess the sustainability performance of companies and allocate capital to those that adhere to best practices. This encourages businesses to adopt environmentally friendly practices, enhance social inclusivity, and promote corporate responsibility. Ultimately, it drives the transition towards more sustainable business models and fosters a resilient economy.

**Unlocking Innovative Solutions:** Green finance provides the necessary financial resources to drive innovation in sustainable technologies and solutions. By channeling capital towards green research and development, it accelerates the deployment of clean technologies and supports the growth of green industries. This not only creates new economic opportunities but also fosters technological advancements that contribute to a more sustainable and resilient future.

### **The Way Forward:**

To harness the full potential of green finance for a resilient future, collaboration among various stakeholders is crucial. Governments, financial institutions, businesses, and individuals all play integral roles in driving the transition towards a sustainable economy. Some key steps include:

**Policy Support:** Governments should enact supportive policies and regulations that incentivize green investments and penalize unsustainable practices. This can include tax incentives, subsidies, and mandatory disclosure of ESG information.

**Financial Innovation:** Financial institutions should develop innovative products and services that promote green finance, such as green bonds, sustainability-linked loans, and impact investing funds. This encourages investors to allocate capital towards sustainable projects.

**Awareness and Education:** Creating awareness about green finance and its benefits is essential. Educational institutions, media, and civil society organizations should play an active role in promoting sustainability literacy and facilitating informed decision-making.

**Collaboration and Partnerships:** Collaboration among different stakeholders, including governments, financial institutions, and NGOs, is vital for scaling up green finance initiatives. Partnerships can facilitate knowledge sharing, capacity building, and the development of joint projects.

**Conclusion:**

In the years to come, we need to take more steps towards protecting the environment around us and that will pave the way for Green finance, which is an increasingly popular concept that is used to refer to the financial sector's role in promoting and investing in projects and activities that are environmentally friendly. It is a way to address the issue of climate change and environmental degradation, as well as to provide opportunities for businesses, investors, and other stakeholders to make a positive impact on the environment. Green finance has become a focus of attention in recent years as governments, businesses, and investors have begun to recognize the need to address climate change and environmental degradation. This has led to the development of various green finance initiatives, including green bonds, green funds, green equity investments, and green banking. The goal of green finance is to create incentives for businesses, investors, and other stakeholders to invest in activities and projects that are environmentally beneficial. Green bonds are one of the most popular forms of green finance. These bonds are issued by governments and businesses to finance projects that are environmentally friendly. They are typically issued to fund renewable energy projects, energy efficiency projects, and green infrastructure projects. By investing in green bonds, investors are helping to provide funds for projects that will help reduce the impacts of climate change and environmental degradation. Green funds are another form of green finance. These funds are typically created by governments or businesses.

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