

**Skill Development through Pradhan Mantri Kaushal Vikas Yojana**

**Kiran Sudi**

**A Study on the Record Keeping Practices of Nalbari District of Assam**

**Jyoti Jain**

**A Study on the Implications of Multigenerational Diversity in Academic Workplace**

**Parul**

**An Analytical Study of Risk Management**

**C. P. Gujar**

**An exploration of the perceptions of young unemployed graduates in Lusaka, Zambia, of the factors contributing to their unemployment**

**Rashmi Gujrati, Hayri Uygun**

**Human Resource Development in Tourism Industry**

**Thimmaiah Bayavanda Chinnappa, N. Karunakaran**

**The Dimensions of Indian Rural Development: Issues and Challenges**

**V. S. Parihar**

**FDI in Retail Sector**

**Hayri Uygun, Rashmi Gujrati**

**A Study of Business Analytics to Decision Making**

**Ajay Kumar**

**A Study of Data Analytics in HR**

**Sweta Bakshi**

**A Study of Red Ocean Strategy**

**Sandeep Kumar**



**TECNIA INSTITUTE OF ADVANCED STUDIES**

**NAAC ACCREDITED GRADE "A" INSTITUTE**

(Approved by AICTE, Ministry of HRD, Govt. of India and affiliated to GGSIP University, Recognized under Sec 2 (f) of UGC Act 1956)  
Rated as "A++" Category - Best Business School by AIMA & 'A' by Govt. NCT of Delhi



ISO 9001:2015 ISO 14001:2015

# Tecnia Institute of Advanced Studies



## **VISION**

Imparting holistic development by inculcating knowledge, ethics, professional acumen and socially concerned attitude to carve an edge in a dynamic environment.

## **MISSION**

To make a thorough professional and responsible citizen through student centric, teaching learning process, co-curricular, extra curricular, enrichment, extension and outreach activities and research environment.

## **QUALITY POLICY**

To provide quality education, training and expertise to improve the quality of life by improving the capabilities of human resources, thinking process, practices and performance in the Management, Information Technology and Media disciplines by adopting the quality management system through continual improvements.

## **VALUE STATEMENT**

Being a professional institute, We subscribe to, in our dealings and hold ourselves accountable to all stakeholders by maintaining integrity, honesty, openness, personal, excellence, constructive self – criticism, continual self – improvement, mutual respect, professionalism, quality service & standards, innovation, objectivity and honouring our commitments.

# *Tecnia Journal of Management Studies*

15 No. 2 October 2020 - March 2021

---

## **PATRON**

**Dr. R.K.Gupta**  
Chairman,  
Tecnia Group of Institutions

**Editor**  
Dr. Sandeep Kumar

**Editorial Board**  
Dr. Ajay Kumar  
Dr. Sandeep Kumar

**Editorial Board Members**  
Dr. Ajay Kumar  
Dr. Sandhya Bindal  
Dr. Sandeep Kumar  
Dr. Namita Mishra  
Dr. Vishal Khatri

**Editorial Assistance**  
Mr. Pradeep Kumar Palei

## **Editorial Office**

Tecnia Institute of Advanced Studies,  
3-PSP, Institutional Area,  
Madhuban Chowk, Rohini,  
Delhi-110085.  
Tel: 011-27555121-124,  
Fax:011-27555120

E-mail: [journaltias@tecnica.in](mailto:journaltias@tecnica.in)  
Website: <http://www.tecnica.in>

## **EDITORIAL ADVISORY BOARD**

**Prof. G.N. Tiwari**  
Professor, IIT Delhi

**Prof. (Dr.) R.C. Singh**  
Professor, Mahatama Gandhi Chitrakoot  
Gramodaya Vishvavidyalaya, Chitrakoot

**Dr. Nasib S. Gill**  
Director, DDE  
MD University, Rohtak

**Prof. Mukesh Dhunna**  
Professor, MD University, Rohtak

**Prof. R.P. Tulsian**  
Professor  
University of Delhi

**Prof. M.P. Gupta**  
Former Dean, Faculty of Management Studies  
University of Delhi, Delhi.

**Dr. G.P. Trivedi**  
Dean, University Department of Commerce & Management  
Ranchi University.

**Dr. Hayri Uygun**  
Recap Tayyip Erdogan University Rize, Turkey

**Dr.Asena Boztas**  
Sakarya University of Applied Sciences, Turkey

**Prof. Dr. RashmiGujrati**  
President (TGAP-UK), Dean (INT. Affairs)  
CT University , Ludhiana

## *From The Editor's Desk*

I take this opportunity to thank all contributors and readers for making *Tecnia Journal of Management Studies* an astounding success. The interest of authors in sending their research-based articles for publication and overwhelming response received from the readers is duly acknowledged. I owe my heartfelt gratitude to all the management institutes for sending us their journals on mutual exchange basis, and their support to serve you better.

We are happy to launch the Thirty issue of our academic journal. The present issue incorporates the following articles:

- ❖ Skill Development through Pradhan Mantri Kaushal Vikas Yojana
- ❖ A Study on the Record Keeping Practices of Nalbari District of Assam
- ❖ A Study on the Implications of Multigenerational Diversity in Academic Workplace
- ❖ An Analytical Study of Risk Management
- ❖ An exploration of the perceptions of young unemployed graduates in Lusaka, Zambia, of the factors contributing to their unemployment .
- ❖ Human Resource Development in Tourism Industry
- ❖ The Dimensions of Indian Rural Development: Issues and Challenges
- ❖ FDI in Retail Sector
- ❖ A Study of Business Analytics to Decision Making
- ❖ A Study of Data Analytics in HR
- ❖ A Study of Red Ocean Strategy

My thanks to the authors Kiran Sudi, Jyoti Jain, Parul, Dr. C. P. Gujar, Thimmaiah Bayavanda Chinnappa, Dr. N. Karunakaran, Dr. V. S. Parihar, Dr Ajay Kumar, Sweta Bakshi, Hayri Uygun and Rashmi Gujrati. who have sent their manuscripts in time and extended their co-operation particularly in following the American Psychological Association (APA) Style Manual in the references.

I extend my sincere thanks to our Chairman Dr. R. K. Gupta, who has always been a guiding light and prime inspiration to publish this journal. I am grateful for his continuous support and encouragement to bring out the Journal in a proper form. I also appreciate Editorial Committee Members for their assistance, advice and suggestion in shaping up the Journal. My sincere thanks to our distinguished reviewers and all team members of Tecnia family for their untiring efforts and support in bringing out this bi-annual Journal.

I am sure the issue will generate immense interest among corporate members, policy-makers, academicians and students.

**Editor**

---

## *Contents*

---

1.	<b>Skill Development through Pradhan Mantri Kaushal Vikas Yojana .....</b>	<b>1</b>
	<i>Kiran Sudi</i>	
2.	<b>A Study on the Record Keeping Practices of Nalbari District of Assam .....</b>	<b>7</b>
	<i>Jyoti Jain</i>	
3.	<b>A Study on the Implications of Multigenerational .....</b>	<b>12</b>
	<b>Diversity in Academic Workplace</b>	
	<i>Parul</i>	
4.	<b>An Analytical Study of Risk Management .....</b>	<b>20</b>
	<i>C. P. Gujar</i>	
5.	<b>An exploration of the perceptions of young unemployed graduates in Lusaka, Zambia, of the factors contributing to their unemployment .....</b>	<b>26</b>
	<i>Rashmi Gujrati, Hayri Uygun</i>	
6.	<b>Human Resource Development in Tourism Industry .....</b>	<b>33</b>
	<i>Thimmaiah Bayavanda Chinnappa, N. Karunakaran</i>	
7.	<b>The Dimensions of Indian Rural Development: Issues and Challenges .....</b>	<b>37</b>
	<i>V. S. Parihar</i>	
8.	<b>FDI in Retail Sector .....</b>	<b>41</b>
	<i>Hayri Uygun, Rashmi Gujrati</i>	
9.	<b>A Study of Business Analytics to Decision Making .....</b>	<b>47</b>
	<i>Ajay Kumar</i>	
10.	<b>A Study of Data Analytics in HR .....</b>	<b>50</b>
	<i>Sweta Bakshi</i>	
11.	<b>A Study of Red Ocean Strategy .....</b>	<b>55</b>
	<i>Sandeep Kumar</i>	

## General Information

- Tecnia Journal of Management Studies is published half-yearly. All editorial and administrative correspondence for publication should be addressed to the Editor, Tecnia Institute of Advanced Studies, 3 PSP, Institutional Area, Madhuban Chowk, Rohini, Delhi-110085.
- The received articles for publication are screened by the Evaluation Board for approval and only the selected articles are published. Further information on the same is available in the “Guidelines for Contributors”.
- Annual subscription details with the format for obtaining the journal are given separately and the interested persons may avail the same accordingly.
- Views expressed in the articles are those of the respective authors. Tecnia Journal of Management Studies, its Editorial Board, Editor and Publisher (Tecnia Institute of Advanced Studies) disclaim the responsibility and liability for any statement of fact or opinion made by the contributors. However, effort is made to acknowledge source material relied upon or referred to, but Tecnia Journal of Management Studies does not accept any responsibility for any inadvertent errors & omissions.
- Copyright © Tecnia Institute of Advanced Studies, Delhi. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the Publisher.
- Registration Number : **DELENG/2006/20585**
- ISSN – 0975 - 7104
- Printed & Published by : **Dr. Ajay Kumar**  
Tecnia Institute of Advanced Studies,  
Madhuban Chowk,  
Rohini,  
Delhi-110085.
- Printed at: Rakmo Press Pvt.Ltd.  
C-59, Okhla Industrial Area, Phase-I,  
New Delhi-110020.

---

# SKILL DEVELOPMENT THROUGH PRADHAN MANTI KAUSHAL VIKAS YOJANA

Kiran Sudi\*

**Abstract:** *The present paper is an attempt to understand the importance PMKVY. Of late it is being found that the present initiative of Kaushal Vikash Yojana plays an important role in the life of the unemployed people and it also helps for the improvement of skills of workforce. The Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was approved by the Union Cabinet of India on March 20, 2015 and was then launched on July 15, 2015. The Scheme has detailed guidelines for selection, functioning, infrastructure requirements, financial dealings, and course provision for Training Centres and Training Partners. Indian population crossed 121 Crore numbers and world's second largest populated country. In this Structural changes in the Indian economy have precipitated changes in the patterns of demand for industrial labour. Hence the government felt the importance of Skill Development and Entrepreneurship development efforts across the country for the growth of our economy. There is a need for quick restructuring of the skill development ecosystem which is essential to suit to the needs of the industry to guarantee improvement of life of the population. As India is moving towards global knowledge economy, it has to meet the rising desire of its youth. The challenge concerns not only on huge quantitative expansion in skill training for the youth, but also to raising their quality. With an ambition to create opportunities for the development of the aptitude of our youth and to develop their technical expertise, our government focuses on Skill Development as one of its pillars.*

**KEYWORDS:** *Skill development, behavioural change, skill gap, employability, labour force, Industrial Labour, skill training, entrepreneurship development.*

## Introduction

Make in India scheme was started to transform India into a global manufacturing hub and aims to assist investment, promote innovation, boost skill development and defend intellectual property. India with 1.2 billion citizens is considered as one of the weak nation. Hence Make in India project was commenced by our Prime Minister in September 2014 under the nation building program. As India's growth rate reduced Make in India was initiated to bring about a change in the manufacturing sector. Social media was used to bring about awareness

regarding this program to the public. The Department of Industrial Policy & Promotion (DIPP) started working to create website with wide information on policies contact details to bring awareness to public on government policies on Make in India. The motive of this scheme is to create more job opportunities for which skill development programmes were initiated by the present government. This proposal aims at high quality standards and plans to attract capital and technological investment in India.

Ministry of skill development and Entrepreneurship was set up for skill development efforts throughout

---

\*Kiran Sudi, Research Scholar, Department of Development Studies, Kannada University Hampi, Vidyanaranya.

our country. They have to impart training in all sectors through skill development centers for offering technical training, skill up-gradation, to create innovative thinking for jobs. The Ministry aspires to offer Skill on a large Scale with swiftness and high Standards to achieve their vision of a 'Skilled India'. The ministry has formed National Skill Development Agency, National Skill Development Corporation, National Skill Development Fund and 187 training partners registered with NSDC. They try to have a network with universities, State governments, international organizations, industry and NGOs for the implementation of skill development efforts. Pradhana Mantri Kaushal VikasYojana (PMKVY) is the lead result based aptitude preparing plan of the new Service of Expertise Improvement and Enterprise (MSDE). This aptitude confirmation and reward plot expects to empower and activate an extensive number of Indian youth to take up expertise preparing and wind up plainly employable and win their occupation. Under the plan, money related reward would be given to students who are effectively prepared, evaluated and ensured in expertise courses keep running by partnered preparing suppliers. This will support the efficiency of the nation's workforce by empowering them to procure great ability preparing over a scope of segments. It will likewise realize a change in outlook from input-based to result based ability preparing in the nation. Pradhan Mantri Kaushal Vikas Yojana is one of the flagships and outcome-based skill training scheme that is launched by Ministry of skill development and entrepreneurship (MSDE). The basic objectives of the skill certification and reward are schemes is to make people employable, enable and mobilize a large number of youths from our country to take up this skill-based training so that they can become employable and they can earn their own livelihood.

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE). The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under Recognition of Prior Learning (RPL). Under this Scheme, Training and Assessment fees are completely paid by the Government. The scheme has been approved for another four years (2016-2020) to benefit 10 million youth.

### **Skill India Campaign: A Step Towards Promoting Entrepreneurship:**

15th July 2015 has been declared as the world youth skill Day for the first time ever. To commensurate this day, prime Minister Launched the Skill India Campaign. Launched in association with the Ministry of Skill Development and Entrepreneurship (MSDE), the Skill India campaign is yet another prestigious and ambitions initiative by the people of our country. The Governing council will be chaired by PM. This Campaign will have a three-tiered, high-powered decision-making framework. This is India's first integrated national scheme for developing skill and promoting entrepreneurship at a broader scale.

### **National Skill Development Programme:**

The government of India has set up the National Skill development Council (NSDC), in collaboration with the private sector, and it supported with funding from international agencies like the World Bank. The NSDC has joined hands with Accenture for design and development of a customized skill development programme that will meet the needs of the industry in coming times. The programme is ambitious plans to skill 500 million youth by 2020. the NSDC has taken the right approach of understanding the prevailing challenges and then preparing a roadmap that is aligned with industry needs and trainee expectations. Hopefully, the youth will be able to match up to the opportunity and contribute in realizing India's potential as a developed nation.

### **Review Of Literature:**

1. **Sai Nidhi in her article "PM's Make in India turns one to know the initiative" (2015):** has stated that this proposal was moved out with the aim of creating millions of jobs in the country. This program was initiated to encourage companies to increase manufacturing in India. This not only includes attracting overseas companies to set up shop in India, but also encouraging domestic companies to increase production within the country. The government aims at increasing the GDP and tax revenues in the country, by producing products that meet high quality standards, and minimizing the impact on the environment. Promoting innovation, protecting intellectual property, and enhancing skill development are the other aims of this program.
2. **Madhuri Dubey in her article "5 Ways skill development connects 'Make in India' with**



**invention and innovation” (2015):** mentioned that Make in India, at the basic level means executing physical tasks and guarantee that the assembly line moves smoothly. But, it should not stop there. We need to widen ourselves to the R&D levels; in fact, grounded experiences can contribute a wealth of patents in product design and development. This program is initiated to identify talent in less privileged sections who cannot afford higher education, school dropouts who have desire to be entrepreneurs. It is an opportunity to explore inventions and innovations, who are picked up, honed and nurtured.

3. **Kumar Vivek and Radhika Kapoor in their article “Nuts and bolts of skill development” (2016):** commented that the extent of the problem of employees is analyzed by experts. Though 12 million people join the workforce only 4 percent are skilled in spite of good infrastructure in our country. Our government spends several thousand crores every year on skill development scheme but it becomes necessary to improve the resource utilization and find solutions to enhance the skill of workforce.
4. **Amit Shanbaug in his article “Make in India – employment generation to get a boost” (2017):** presumed that with Make in India proposal the government aims to generate 100 million new jobs by 2022 giving manufacturing sector a stronger role in domestic job creation. India’s manufacturing sector at present has a target of contributing 16 per cent of GDP to the nation’s exchequer. By 2025, the sector is expected to deliver 25 per cent. Over the next five years, India is expected to capture the fifth spot in the list of most competitive manufacturing nations in the globe.

### Need For The Study:

The aim of the pmkvy scheme is to encourage aptitude towards employable skills and to increase working efficiency of probable and existing daily wage earners, by giving monetary awards and rewards and by providing quality training to them. Average award amount per person has been kept as ₹8,000 (US\$120). Those wage earners already possessing a standard level of skill will be given recognition as per scheme and average award amount for them is ₹2000 to ₹2500. In the initial year, a target to distribute ₹15 billion (US\$220 million) has been laid down for the scheme. Training programmes have been worked

out on the basis of National Occupational Standards (NOS) and qualification packs specifically developed in various sectors of skills. For this qualification plans and quality plans have been developed by various Sector Skill Councils (SSC) created with participation of Industries. National Skill Development Council (NSDC) has been made coordinating and driving agency for the same.

Owing to the its successful first year of implementation, the Union Cabinet has approved the Scheme for another four years (2016-2020) to impart skilling to 10 million youth of the country. This booklet contains the various Guidelines under the Scheme that participating agencies need to abide by. The Guidelines mentioned in this booklet have the approval of the PMKVY Steering Committee and are effective from 15 July, 2016. These Guidelines include the following.

### Features & Benefits of PMKVY:

1. Objective is to train 24 lakh youths
2. To create registry of skills
3. Increasing the productivity of the skilled individuals which would be used for nation’s
4. On an average trainee will get Rs. 8000 as a reward. This would be given by third party assessment body. However in order to receive the reward, trainee will have to appear for assessment test and based on the test results, reward would be given.
5. Training would be provided based on the National Skill Qualification Framework (NSQF) and industry led standards and it would be need based training.
6. Most of the skills do not require any educational qualification or experience.
7. Feedback would be collected by all the trainees who undergo assessment. This will help in calculating the effectiveness of Kaushal Vikas Scheme.

### Objectives Of The Study:

- To find out the goals and awareness of PMKY among the public.
- To examine the success or failure of skill development initiative through PMKY.
- Benefit 10 million youth over the period of four years (2016- 2020).

### Methodology :

Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE). The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training. It will help them to be sheltered in a better livelihood. The scheme helps to mobilize, motivating, counselling, reward and providing certificates. A third party engaged by the implementing agency will access the training need so that a standardized skill development process can be developed. It is important in the sense that this will help to create a trained manpower as per the specific requirement of the industry. An allocation of Rs. 12,000 crores has been made for the period 2016 - 2020 The trainings are given in the sectors. The CSCM component of PMKVY is being implemented by National Skill.

### Goals of Pmkv:

- Pradhan Mantri Kaushal Yojana (PMKY) is started to boost skills training to youth in our country. As India is with the majority of youth population, they are the future of the country. Only if they are trained in skills, they will become assets to our nation. Hence the slogan of the PMKVY program is to achieve the same. Ministry of skill development and Entrepreneurship through the National Skill Development Corporation (NSDC) is concerned with training the youth.
- They create occasion for all to obtain skills, particularly youth, women and disadvantaged groups like Scheduled Castes, Scheduled Tribes, and Other Backward Classes. PMKY develop a high-quality skilled employee who will meet the employment needs of different sectors like food processing, tourism, beauty & wellness, Gems & Jewellery, handicrafts, plumbing, textile, mobile repair, 3 wheeler repair, fixing solar panels, health and family welfare.
- The purpose of this plan is to encourage skill development for youth by offering monetary rewards for successful completion of approved training programs. Encourage consistency in the certification process and initiate a process of creating a registry of skills.
- They facilitate and assemble a large number of Indian youth to take up skill training and become employable and earn their livelihood. Increase productivity of the existing workforce and support the training and certification to the needs of the country.

Though the government is spending crores of money for this project, still people are not aware of this project. Social media is used as an effective partner in propagating about this scheme to public. The news media have definite principle for determining what is worth covering, so program planners must frame the concern in an appealing way to get their attention. By advertising in an effective way with newsworthy activities, communities can help promote healthy parenting practices, child safety skills, and protocols for reporting suspected maltreatment. Make in India scheme

### Development Corporation (NSDC), with following targets FY 2016-20:

Table-2016-20

Sr. No	Module	Overall Scheme Target (2016-2020)	Targets for each year
1	Short Term Training	35,55,000	8,88,750
2	Recognition of Prior Learning	40,00,000	10,00,000
3	Special Projects	3,95,000	98,750
<b>Total</b>		<b>79,50,000</b>	<b>19,87,500</b>

Learning's from PMKVY 2015-16 led to the revision of policy guidelines and subsequent changes were made to ensure placement of the certified candidates. The second phase of the scheme was launched on 2nd October 2016 with a greater focus on improving placement opportunities for the candidates through high quality and standardized trainings.

### Success or Failure of Pmkv:

Under this proposal trainees are rewarded Rs 5,000 and Rs 12,000, through the National Skill Development Council (NSDC). 1.8 million Youth were trained, and certified 1.2 million, as per the Sharada Prasad Committee report. Though the government started this initiative with good intention, it failed to conduct assessment of the outcome. The scheme did not neither meet the skill needs of the industry nor employment opportunities of youth. Since the skill development centers felt that the target fixed was very high for them to meet the end. As graduates are not employed, even after graduation, people doubt about getting into a career after undergoing 200-hour training course. Hence as per the government norms the training center is insisted to offer job for the trainees after training. As per the data of NSDC, skill training was offered to six lakh youth till September,

2017 but only 12 percent were placed. KPMG examined that there is lack of holistic approach to succeed under this scheme. PMKY scheme was not taken care by other ministries that did not help for the success of this proposal. NSDC planned to train 150 million youth by 2022. Comptroller and Auditor General (CAG) suggested to the Union government to redesign operations of the NSDC to make sure their target will be achieved.

### Findings:

- National Policy for Skill Development and Entrepreneurship has approximated that the average age of the population in India in 2020 will be 29 years. In next 20 years, the labour force in India will increase by 32% which makes a need to offer its workforce with required skills to facilitate them to contribute for the economic development of our country.
- This scheme is not popularized among the public at the ordinary level, but instead the government concentrated more on partners associations and fixing targets to accomplish number of trainees, there was no awareness amongst the needy people living in remote villages, tribal areas and interior slums.
- There were many partners with PMKVY proposal which is considered as one of the aspect to for the failure of this program. These training partners were not working as per the expectations of the government were not fulfilled.
- Our government has taken a multitude of policies to channelize the efforts and provide thrust to the Skill Development ecosystem. Ministry of Skill Development and Entrepreneurship (MSDE) was created in November 2014 to force the 'Skill India' agenda.

### Suggestions:

- Skill India dream can be fulfilled, only if the industries can frame curriculum and the government must only play the role of regulator.
- There is lack of standardization of outcomes due to multiple stakeholders and lack of coordination.
- There must be a structural approach towards attracting investment, enhancing skilled manpower, encouraging entrepreneurship in a phased manner. Promising sectors must be identified based on their potential to renovate the country into a global player by 2030.

- Department of Industrial policy and Promotion along with the government of India must try to create more jobs.
- Training offered by NSDC must enhance the skills and lead to capacity creation to work in sectors like infrastructure, power, mining, oil and gas, refinery, steel, automotive, and consumer durables. It must help to engineering exports and Compound annual growth rate (CAGR) must boost over the earlier year.

### Conclusion:

This paper has analyzed the activities of Indian government for making open doors for Indian youth to build up their aptitudes, and the requirements that test them. India adds 13 million individuals to the workforce consistently, under 2% of the workforce gets any formal preparing. The Indian workforce is the least on the planet and a vast lump of existing preparing framework is unessential to industry needs. Today, India faces huge difficulties to build up the abilities of Indian youth. Indian youngsters fall into two primary gatherings. A little part from monetarily well-off working classes get great instruction and preparing and generously compensated occupations in the composed segment. Meanwhile, the lion's share of youth from monetarily and socially burdened gatherings get exceptionally constrained instruction and little access to professional preparing. Without any collaborations and significant duplication of work. The nearby interest of ventures is required to help business, in light of the fact that.

Pradhan Mantri Kaushal Vikas Yojana is a unique initiative by the Government of India that aims to offer 24 lakh Indian youth meaningful, industry relevant, and skill based training. Under this scheme, the trainees will be offered a financial reward and a government certification on successful completion of training and assessment, which will help them in securing a job for a better future. The Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was thus envisaged as a key measure to impart skill-based training to young men and women, making them capable of earning and supporting the nation's anti-poverty endeavours. The scheme becomes all the more Important in the Indian society which has the world's largest youth population that requires employable skill (356 million populations between 10 and 24 years of age- the Hindu, Nov 2014). Earlier this year, on 20 March 2015, the government of India gave the ministry of skill development and Entrepreneurship a formal go-ahead to formulate and implement the Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

through the National Skill Development Corporation.

**References:**

- Boston Consulting Group, India, CII 13th Manufacturing Summit 2014: Make in India: Turning Vision into Reality, New Delhi, Nov 2014.
- Dr.P.Uma Rani, 2D,Padmalosani, Skill Developments Through Pradhana Mantri Kaushal Vikas Yojana Skill Developments Journal of Advanced Research in Dynamical and Control Systems.
- Economic Times
- [https://en.wikipedia.org/wiki/Make\\_in\\_India](https://en.wikipedia.org/wiki/Make_in_India)
- Indian express
- Jha, R. (2014) Welfare Schemes and Social Protection In India. International Journal of Sociology and Social Policy, pp. 214-231.
- The Hindu 14.Times of India
- [www.pmkaushalvikasyojana.info/](http://www.pmkaushalvikasyojana.info/)
- [www.pmkvyofficial.org](http://www.pmkvyofficial.org)
- [www.seed.ind.in/national-skill/development](http://www.seed.ind.in/national-skill/development)

---

# A STUDY ON THE RECORD KEEPING PRACTICES OF SMALL BUSINESSES OF NALBARI DISTRICT OF ASSAM

Jyoti Jain\*

**Abstract:** Small business here means the different small retail and wholesale shops operating in Nalbari. Record Keeping is a very important aspect which is often neglected by small business owners. The objective of the study is to know the status of record keeping practices, challenges faced while maintaining proper books and how to address those challenges. For this purpose data is collected using a mixed approach of questionnaire and a schedule. The collected data is analysed using tables and graphs. The study found that many of the respondents did not implement proper record keeping practices and faced various challenges while maintaining records. It is recommended that small business should follow proper record keeping practices by hiring accountants. Training programs can be arranged to equip the owners with accounting knowledge.

**KEYWORDS:** Small Business, Record Keeping, Nalbari

## Introduction

Small business in this study includes the different small traders operating retail or wholesale shops in the area of Nalbari. These small businesses act as the fulfiller of all the basic needs along with the other essential needs of common people. These small businesses are a source of income generation for many people. Even they act as employment generator for many. It is very essential for these kinds of small businesses to grow, to expand which will ultimately lead to the development of the nation. This will happen if they maintain proper books of accounts. If they can know exactly what profit are they generating how they can increase it which is possible through proper record keeping. According to Myeko (2019) record keeping assists Micro Small Medium business owners to improve business performance, and make the right business decisions in their business ventures. According to Khadim (2019) Record keeping of MSE is one of the most important factor for the growth of the MSEs. Many researches have been done on the record keeping aspect but they are conducted on Micro Small and Medium enterprises falling under MSME

act. But very few researches are conducted over these small traders. The study may be helpful for the small traders to know where they are lacking in the growth of their business, the Government to make policies regarding following proper record keeping practices.

## Statement of the problem

Small traders/business are one of the pillars of person's daily needs. It contributes significantly to the nation's economy. The foundation of business also lies on proper record keeping practices. But this aspect is often neglected by the business owners because of which sound decisions cannot be made by them. Proper record keeping will help them to know their past and present on the basis of which they will be able to take future decisions. No doubt there are other factors too for the success of business but record keeping is one of the most ignored part. So in order to draw the attention of the Small business owners towards this aspect this study will be considered useful. Study found that there exists a significant relation between business performance and business record management Myeko (2019), Musah (2017), Jeyaseeli (2014).

---

\*Jyoti Jain, Research Scholar, Department of Commerce, Gauhati University

**Review of Literature**

Jeyaseeli (2014) Accounting Practices are very much important for any business.To overcome the challenges the business face in maintaining proper books of accounts necessary training must be given to them.

Khadim&Choudhary (2019)in their study showed that there is a positive relation between the performance of Small Business and Accounting Practices.

Musah (2017) The owners and managers of SMEs were highly willing to learn about how to keep accurate records of their business transactions.

Myeko & Madikane (2019)The MSMEs reduce the unemployment rate and increase poverty allevation through job creation.

**Objectives of the study**

- To study the status of record keeping practices of small business owners of Nalbari District.
- To find out the different challenges faced by small businesses owners in maintaining proper record keeping practices of Nalbari District.
- To identify solutions to address record keeping challenges of small businesses owners of Nalbari District.

**Research Questions**

The objectives give birth to the following research questions

- What challenges do small business owners face in record keeping?
- How to address the challenges faced by the owners?

**Short description of Nalbari**

Nalbari is an administrative district located in the state of Assam. It has an area of 2257km2 .It has 84 districts. Nalbari town is the headquarter of Nalbari district.

**Research Methodology**

The study mainly uses primary data. In order to get proper information, questionnaire alongwith interview schedule were used. The questionnaire was sent to 120 respondents out of which responses could be obtained in 67 only. The interview schedule being qualitative in nature was filled through an interaction between the researcher and respondents. Personal interview was held with 25 respondents out of 67.Secondary data has also been collected from

similar research journals, internet etc.

**Population of the study**

The population consists of all the small business owners in the area of Nalbari.

**Sampling design**

Due to lack of proper database of all the small business owners, on random sampling was used. Sample was selected using convenience sampling technique.

**Analysis**

The data collected through questionnaire being descriptive in nature was analysed using tables and charts. The data collected through personal interview was analysed using content analysis. 5

**Limitations**

- As the study is conducted in Nalbari District it can't be generalised to other areas.
- Due to resource constraint interview could be conducted with 25 respondents only.
- Information may be subject to biasness of the respondents.

**Discussion of the Findings**

The data collected through questionnaire is presented here:

a) **Table 9.1:** The table here shows the participation of male and female in small businesses:

Gender	Frequency	Percentage
Male	51	76.11
Female	16	23.89
<b>Total</b>	<b>67</b>	<b>100</b>

(Source : Field Survey)

The table above shows that majority of the respondents were male. Out of the 67 respondents 51 of the owners of small business are male constituting 76.11% of the population.

This goes in line with the previous research carried out by Jeyaselli (2014),which shows that majority of the owners were male in Tirunelveli,India .India is generally considered a male dominant society in Hofstedes Cultural Dimension too.Here male are basically responsible for providing food ,shelter etc. to the family. Gender ratio of India also shows that the percentage of male population is 48.04% as compared to 51.96 percent of male population.

b) **Table 9.2:** The table represents the level of education of small business owners:

Education	Frequency	Percentage
Matriculation	23	34.33
Upto 12th	27	40.3
Graduation	10	14.93
Post-Graduation/ Professional Courses	7	10.44
<b>Total</b>	<b>67</b>	<b>100</b>

(Source: Field Survey)

The results show that majority of the owners are either matric passed or have education up to 12th. Some of them are Graduate, some of them have post-graduation degree or have acquired certain professional courses. It gives an indication that lack of education can be one of the major reasons of not following proper record keeping practices.

c) **Table 9.3:** The table shows the experience of the respondents in operating those enterprises:

Experience	Frequency	Percentage
Below 10 years	15	22.39
10-20 years	20	29.85
21-30 years	27	40.3
31-40 years	3	4.48
Above 40 years	2	2.98
<b>Total</b>	<b>67</b>	<b>100</b>

(Source: Field Survey)

The results show that majority of the respondents have experience of 21-30 years in this field. This length of experience is quite enough to much prosper in the field. But due to lack of proper record keeping practices right decisions could not be made at the right time otherwise expansion of their businesses might have led to the increase in the per capita income of the nation.

d) **Table 9.4:** The table below shows the number of employees employed in the business:

Number of employees	Frequency	Percentage
No employees	9	13.43
1-5	37	55.22
6-10	20	29.85
More than 10	1	1.50
<b>Total</b>	<b>67</b>	<b>100</b>

(Source : Field Survey)

The results above show that majority of the small business are operating with employees ranging from 1 to 5, there are also firms which don't have any employees. This shows that if they are able to give employment to this number of employees they can increase it to more number. But the lack of maintain of proper record keeping practices they are not able to know how to further expand their business. If they start maintaining proper books may be they can be a good source of employment in this highly unemployed scenario.

e) **Table 9.5:** The table below shows the form of ownership of business:

Form of Ownership	Frequency	Percentage
Sole Proprietorship	62	92.54
Partnership	5	7.46
<b>Total</b>	<b>67</b>	<b>100</b>

(Source : Field Survey)

The result shows that majority of the owners are sole proprietors i.e 92.5% which indicates that they have full control over their business.

f) **Table 9.6:** The table below shows the kind of outlet operated by the owners:

Outlet	Frequency	Percentage
Retail	33	49.25
Wholesale	7	10.45
Both	27	40.3
<b>Total</b>	<b>67</b>	<b>100</b>

(Source: Field Survey)

The result shows that majority of the owners are operating retail business and 40% are operating both wholesale and retail businesses.

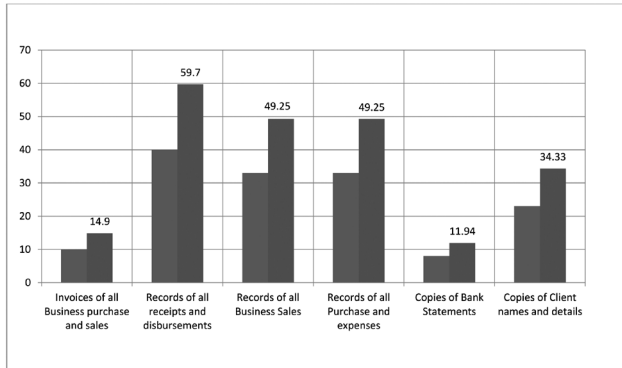
g) **Table 9.7:** The table below shows the maintenance of record keeping practices by small business owners:

Maintain recordkeeping	Frequency	Percentage
Yes	67	100
No	0	
<b>Total</b>	<b>67</b>	<b>100</b>

(Source : Field Survey)

The result shows that 100% of them are following record keeping but the way of maintenance is far away from proper record keeping.

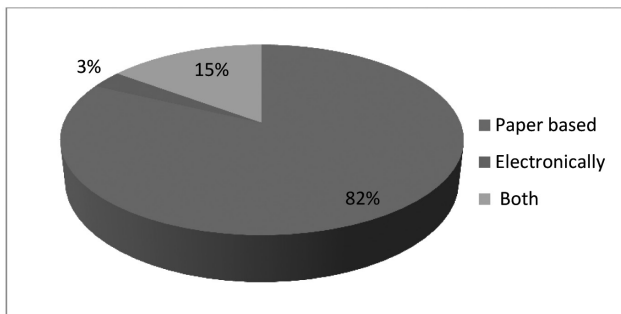
h) **Figure 1.** The figure shows the kind of record keeping maintained by the owners (Multiple Options can be chosen)



(Source : Field Survey)

The figure above shows that more than 50% of the owners are maintaining records of receipts and disbursements, some of them are maintaining records of business purchases sales and expenses but in cases of other books very few follow books. This shows that owners maintain only those books which they think are necessary and that too according to their choice.

i) **Figure 2:** The figure below shows the way of maintaining books by the owners: 14.9 59.7



(Source : Field Survey)

The result shows that still majority of the owners are maintaining paper based accounts, only 15% have opted for both and just 3% are maintaining accounts electronically. This shows that where majority of the account keeping system have shifted to electronic based they are still following the traditional system which is a sign of indication of slow growth of their business. This goes in line with the study in Tirunelveli by Jeyaseli where too majority of the respondents followed manual accounting system

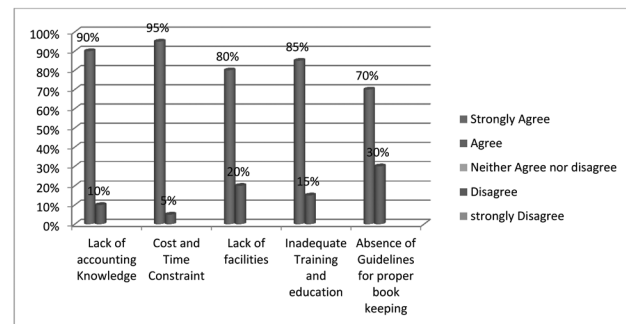
j) **Table 9.8 :** The table below shows the Record keeping handled by whom

Handled by whom	Frequency	Percentage
Owners	52	77.6
Hired Accountants	15	22.4
<b>Total</b>	<b>67</b>	<b>100</b>

(Source : Field Survey)

The table shows that majority of the owners are maintained accounts by themselves.

k) **Figure 3:** The figure below shows the challenges faced by owners in maintaining proper record keeping in a 5 pointer Likert scale:



(Source : Field Survey)

The figure shows that majority of the respondents faces most of the challenges of which time and cost constraint ranks the highest. If these challenges can be removed may be it will lead to their expansion of their business.

l) **Table 9.9:** The table below shows the opinion of the respondents towards record keeping:

Record Keeping as Business Assets	Frequency	Percentage
Agree	37	55.22
Don't Know	20	29.85
Disagree	10	14.93
<b>Total</b>	<b>67</b>	<b>100</b>

(Source: Field Survey)

The result shows that majority of the respondents agree that record keeping acts as business assets.

### Personal Interviews with the small business owners

The data collected by the researcher through interview has been presented here:

#### A) How do you maintain books?

Most of the owners responded that they just note



down the main transactions of the businesses. For other transactions like small purchases or sales they don't even write it down. They keep all the transactions in their head.

#### **B) Do you face challenge in record keeping?**

The interviewees responded that they don't have time for such proper maintenance as they are alone in their business.

#### **C) Why have you not hired accountants?**

The interviewees responded that they can't afford accountants.

#### **D) Do you follow any rules for record keeping?**

The interviewees responded that they don't follow any established rules for maintaining accounts they follow whatever seems correct to them.

### **11. Suggestions**

As the findings showed that the owners faced so many challenges, the suggestions could be subject to overcoming those challenges.

In order to remove the challenge of lack of education, some training programs could be arranged by the Government regarding this aspect. The curriculum of education at primary and secondary level can be made inclusive of record keeping. Guidelines can be made with regard to proper record keeping practices for small businesses. To overcome the time and cost constraint free softwares for maintaining of accounts can be made.

### **Conclusion**

Many studies have been done over MSME but no the problem of record keeping of small business have been addressed by the present study. Various challenges are faced while maintaining record keeping but this aspect is very much significant not only for Nalbari but worldwide.

### **Declaration of Conflicting Interests**

The author declared no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

### **REFERENCES**

- Abdul R, O A, Adejare A T (2014) The analysis of the impact of Accounting Records keeping on the performance of the small scale business enterprises. *International Journal of Academic Research in Business and Social Sciences*, 4(1), 1-17
- Akande, O.O (2011) Accounting Skill as a performance factor for Small Business in Nigeria. *Journal of Emerging Trends in Economics and Management Sciences*, 2(5), 372-378
- Ezejiofor R, Emmanuel E, Olises M (2014) The Relevance of Accounting Records in Small Scale Business: The Nigerian Experience *International Journal of Accounting Research in Business and Social Sciences* 4(1), 69-81
- Gautami S( 2018) Effect of GST on Micro Small and Medium Enterprises in India *Journal of emerging Technologies and Innovative Research* 5(1) 473-476
- Gilbert K A (2013) Accounting Practices of SMEs: A case study of Kumasi Metropolis in Ghana *International Journal of Business and Management*, 8(24), 73-83
- Jeyaseeli H, Justus E (2014) Accounting Practices of Micro Small and Medium Enterprises (MSMEs) in the Tirunelveli Municipal Corporation of Tamil Nadu *Global Journal of Research Analysis*, 3(11),16-19
- Khadim E,Choudhary S (2019) Impact of Record Keeping on the Growth of Micro and Small-Scale Enterprises : An Analytical Study *Small Enterprises Development, Management & Extension Journal*, 46(2),70-81
- Muchira W, Ambrose Jagango ( 2014) Record Keeping and Growth of Micro and Small Enterprises: An Empirical Study of MSES in Selected Urban Centres in Kenya *Global Journal of Commerce and Management Perspective*, 3(6),79-87
- Musah A (2017) Benefits and Challenges of Bookkeeping and Accounting Practices of SMEs and Its Effect on Growth and Performance in Ghana *Journal of Accounting-Business & Management*, 24(2),16-36
- Musah A,Ibrahim M (2014) Record Keeping and the Bottom Line: Exploring the Relationship between Record Keeping and Business Performance among Small and Medium Enterprises (SMEs) in the Tamale Metropolis of Ghana *Research Journal of Finance and Accounting* 5(2) 107-117
- Myeko Z,Madikane V (2019) Challenges of Record Keeping Engcobo Small, Micro and Medium Businesses,South Africa *Global Journal of Management and Business Research* ,19(3),1-11

# A STUDY ON THE IMPLICATIONS OF MULTIGENERATIONAL DIVERSITY IN ACADEMIC WORKPLACE

Parul\*

**Abstract:** The contemporary organizations are motivated by racial, religious and socio-economic diversity, but, awareness regarding a new diversity has begun to creep in corporate as well academic India, called Multi-Generational Diversity. There are two major generations working side by side across Indian educational institutions, today, the Generation X and the Generation Y. Every generation has its own attitude and style, which leads to frequent misunderstandings among them. The better each generation understands the other, the better they will work together. The study explores some issues, both positive and negative, which are inherent in managing an intergenerational workforce at academic places of work. The study has examined the potential generational and demographic differences on several work related beliefs, using the data collected primarily through a structured questionnaire from employees, currently, working in various institutes. The result of the survey has yielded important and valuable insights into the landscape study of multi-generational workforce in the educational institutions of India.

**KEYWORDS:** Generation, Age Groups, Employees, Diversity, Generational Differences.

## Introduction

Currently, educational institutions around the world are facing demographical and societal changes, economic landscape alterations, globalization, and the ongoing rise of the knowledge worker, which are leading us to a workplace where members of four generations sit side-by-side, for the first time. For academic workplaces of all sizes, this is both an opportunity and a challenge. Each individual brings deeply rooted cultural experiences based on state or location, caste, religion, beliefs, norms, ethics, behavior and attitudes to the workplace.

A simple definition of generation is a group of individuals born and living at the same time, with the same approximate age having similar ideas, attitudes and problems. As per a sociologist's view, 'generation' is viewed as a group of individuals of similar ages whose members have experienced a noteworthy historical event within a set period

of time and hence the socio, political and cultural environment during the formative and growing years influences and shapes their attitudes and beliefs forming a collective world view.

The work environment of an academic workplace and its inhabitants are very different from that of businesses and corporations. Although many of the problems may be the same, they will manifest themselves differently, thereby requiring different solutions. Researchers generally agree that two generations currently dominate the academic workplaces in India: Generation X and Generation Y. People who were born between the years 1965 & 1984 constitute Generation X, while people who were born between the years 1985 & 2004 constitute Generation Y.

Generation X are called Baby Bust generation because of their small size, as relative to the generation of Baby Boomers. They aspire to achieve a balance

---

\*Parul, Student, Mahrishi Dayanand University, Rohtak, Haryana, India

between work and life, than previous generations. They are strongly loyal towards their family and friends. They value continuous learning and skill development. They have strong technical skills, are results focused and are ruled by a sense of accomplishment. They are not intimidated by the authority figures and feel free to question them. The absence of money might lose their motivation but it is not the sole motivator for them. They are pragmatic, self-reliant and adaptive to changes and like to receive feedback.

Generation Y are also called the Millennial and the Digital Generation because they have been shaped by parental excesses, computers, and dramatic technological advances. They value team work and collective action as they embrace diversity. They desire flexibility, freedom and a more balanced professional and personal life. They tend to overlook differences among people and treat everyone in the same manner. They are deeply committed to authenticity and truth-telling. They believe to live in a “no-boundaries” world where they can make short-term decisions and expect the outcomes to be rather grandiose. It is the most confident generation, who purports to be entrepreneurial.

The two major generations of personnel bumping into one another in higher education represent the most diverse age composition in academe ever. They bring baggage outlined and described previously into every department and meeting they attend, which can affect the emotional intelligence, especially interpersonal relationships, of everyone and, ultimately, their job satisfaction and productivity (Fisher-Bando, 2008).

Among the various generational differences, there seem to be at least a half dozen that bubble to the top as potentially the most common sources of conflict: dress/appearance, work hours/work ethic, technology, expectations for advancement, communication, and respect/professionalism. So, at the time new generations join the workforce, others should try to adjust and remain flexible with their values, beliefs and behavior. On the other hand, the new talent should respect and assimilate the older workforce. As society continues to adapt to the prevalence of a multi-generational workforce, it is essential that academic institutions proactively address this change and apply the same inclusive philosophies they often exhibited with regard to other forms of diversity, to the generational diversity trends.

## Literature Review

For perhaps the first time in recorded history,

academic markets in the 21st century are presented with some real challenges and opportunities to organize members of different generations and address their issues of talent engagement, leadership development and people management.

Iden (2016) conducted a study in organizations employing more than 500 employees, to explore various strategies used by the managers of Franklin County, Ohio State, USA for managing multi-generations. To analyze the data, a psycho-phenomenological method called, van Kaam was used which separated the collected data. The four major themes which emerged out of them were generational cohort differences, required multigenerational managerial skills, most effective multigenerational management strategies and least effective multigenerational management strategies.

Becton et al. (2014) in their empirical research provides mixed evidence for generational differences in important values and attitudes. The study extends generational effects research by examining differences in actual workplace. The correlations among age, longest number of months spent in a single job, and number of jobs held in last five years were computed using Pearson's product moment correlation. Their results suggest that organizations should be cautious in taking the advice of some scholars to implement HR strategies that recognize the unique values and characteristics of each generation versus general strategies applied to all generations of employees.

Berk (2013) published an article describing four generations in academia-Traditionalists, Baby Boomers, Generation X and Net Generation. He examined the extent to which generational bullying is prevalent in higher education and considered the implications of various generational issues for training and developing faculty and other staff members. It was found that, there is a severe need for university heads and other developers of faculty to take the responsibility and address multi-generational issues by organizing workshops, seminars and training programs, etc. They must create an academic workplace where employees and students of all the generations can prosper together, but being individually.

Hornbostel et al. (2011) introduced a research paper whose primary goal was to highlight the techniques for better targeting the needs of specific generations and life-stages, while honing engagement practices that may formally have been age-independent. In the research paper, the differences were referred using two terms: “Life-stage” and “Generation”. The study found reverse mentoring as a tangible way

companies can better utilize their multi-generational workforce, increase engagement between workers, both young and old, and bridge generational gaps.

Platteau et al. (2011) tried to link the concepts of generation and intergenerational conflict to the concept of organizational culture for which a survey was conducted among civil servants from a local government. As per the research paper, differences between age groups must not merely be considered as a result of age-effects but also from generation-effects. A generational perspective acknowledges that people change as they grow older and experience successive life course transitions, but also stresses the fact that the concept of generations is fruitful for understanding and interpreting differences between age groups.

Hoff (2010) aimed at getting more insight in the work preferences of the youngest generation (born after 1985) and the differences with work preferences of older generations. The results showed that there were two types of differences. On the one hand differences in kinds of preferences, expressed by different operations of the constructs. This was the case for the constructs; 'challenge', 'task significance', 'transformational leadership' and 'promotion opportunities'. On the other hand differences in the levels of preferences were found which indicate that some aspects were preferred more or less by the youngest generation.

Meriac et al. (2010) examined the differences across three generational cohorts (Millennials, Generation X, and Baby Boomers) on dimensions of the work ethic construct using the multidimensional work ethic profile (MWEP). According to the study, generational cohorts develop similarities in their attitudes and beliefs based on shared life experiences. As a result, generational cohorts have identifiable characteristics on which they differ. The large differences in several dimensions of work ethic may contribute to misunderstandings, differences in work-related expectations, or other sources of conflict among members from different cohorts.

MetLife Mature Market Institute (2009) conducted a study, according to which, when employees derive a sense of meaning and fulfillment from their work, they tend to experience positive personal outcomes as well. Some important questions addressed in the study were what is employee engagement and why is it important, how can employers recognize employee engagement, how does age affect employee engagement, what are drivers of engagement for employees in different generational groups and what can employers do to maximize employee engagement.

Fraone et al. (2008) discovered a new term called 'generational competence', which describes the adaptations that organizations must make in order to meet the diverse needs of the four generations in today's workforce and marketplace. A generational perspective enables managers to leverage employee uniqueness as a source of learning, productivity, and innovation and to create and role model a shared vision of positive co-worker relationships.

Leahy et al. (2008) conducted a research to establish employee preferences in two areas: workplace motivational needs and reward and recognition preferences. Its findings that some common motivational needs are shared across workforce cohorts may challenge a rethinking of the perception that divisive generational differences may exist within the workforce.

Parker (2007) planned a study to look at generational differences with respect to participant's perceptions of work and career. Generational differences represent the set of values that people within the same age group possess. The results showed that while there is no significant difference in each generation's perception of their work life balance, there are differences in the beliefs and behaviors with respect to work life balance.

## Research Methodology

To understand in depth how the presence of multiple generations impacts the employees at academic workplaces, both qualitative methodology and quantitative techniques have been used. The objectives of the study are:

1. To study the relationship between demographic variables and types of generation currently working in academic workplaces.
2. To determine the factors affecting academic workplace culture and types of generation.
3. To identify the effective methods for managing an intergenerational workforce at academic workplace.

## Research Design

The overall strategy been chosen is Hypothesis Testing Research, under which Non-experimental Hypothesis Testing Research has been selected. Thus, the hypothesis statements framed for the study are:

- H01 : There is no significant relationship between Generation X and Generation Y on the basis of factors affecting academic workplace culture
- H02 : The methods for managing an

intergenerational workforce at academic workplace are insignificant of Generation X and Generation Y

### Method of Data Collection

The primary sources used for this study are discussion Interviews with the employees and data collected through a structured questionnaire. The questionnaires were distributed personally as well as through Google Forms.

**Design of questionnaire.** The questionnaire instrument of present study is divided into three broad categories. The first category represents the demographic variables. The second part deals with statements intended to find out the impact of Generation X and Generation Y on factors affecting workplace culture and some basic questions. The last category includes employee feedback on the effectiveness of several methods in managing an intergenerational academic workforce. In the questionnaire, the types of variable being used are on the basis of unit of measurement i.e. categorical polytomous variables and continuous variables. And, to assess the responses for various statements included in the questionnaire, Likert's Five-Point Scale has been used.

### Sample Design

The sample population for the study is approximately 500 employees (or professors) of different academic institutions. In order to obtain the information required to meet the objectives of the study, a sample of 112 employees were surveyed. These employees are from different institutions like management, arts, science, law, and journalism etc. To carry out this study, Non-probability sampling technique is used. Under the non-probability, the convenience and snowball sampling techniques have been used.

### Data Analysis Method

SPSS & Ms-Excel were used extensively to analyze the data in the form of SPSS tables, percentages and numerical forms.

### Limitations of the Study

The study represents only a small percentage of the employees at academic workplaces. As all the respondents were from one location only i.e. Delhi. Therefore, the study is not truly indicative of employees at other educational institutions.

### Data Analysis & Interpretation

In order to measure the reliability of the scale

used in this study, an internal consistency measure called Cronbach's Alpha has been used. In table 1, since the value of Cronbach's Alpha is greater than 0.7, it means that the items of the scale used have relatively high internal consistency with coefficient of alpha 0.937.

**Table 1: Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.937	.935	22

The crosstabs has been used to study the relationship between demographic variables (i.e. gender, marital status, highest educational degree and current role) and types of generation (i.e. Generation X and Generation Y) currently working in academic workplaces. In table 2, patterns have been detected that might indicate relatedness between the study variables.

**Table 2: Relationship between Demographic Variables and the Type of Generation**

		Generation X	Generation Y	Total
Gender	Male	33	19	52
	Female	33	27	60
	<b>Total</b>	<b>66</b>	<b>46</b>	<b>112</b>
Marital Status	Single	10	20	30
	Married	51	18	69
	Divorced	05	08	13
	<b>Total</b>	<b>66</b>	<b>46</b>	<b>112</b>
Highest Educational Degree	Post Graduation	19	27	46
	Doctoral	38	10	48
	Other	09	09	18
	<b>Total</b>	<b>66</b>	<b>46</b>	<b>112</b>
Current Role	Professor	29	04	33
	Associate Professor	23	14	37
	Assistant Professor	14	28	42
	<b>Total</b>	<b>66</b>	<b>46</b>	<b>112</b>

Out of 112 respondents, majority of the respondents i.e. 60 are females. And, male respondents belonging to Generation X are significantly higher (i.e. 33) as compared to those belonging to Generation Y (i.e. 17). Majority of the lecturers are married with 51 belonging to Generation X and 18 belonging to

Generation Y. And, as compared to Generation X, single and divorced lecturers belong majorly from Generation Y. Our respondents constitutes a fairly similar number of post graduates and doctorates, with majority of doctorates (i.e. 38) belonging to Generation X and majority of post graduates (i.e. 27) belonging to Generation Y. Furthermore, academic workplaces have highest number of assistant professors, majorly belonging to Generation Y. And, most of the professors and associate professors belong to Generation X.

H01 : There is no significant relationship between Generation X and Generation Y on the basis of factors affecting academic workplace culture

To test this hypothesis statement, a parametric test called Independent samples t-test has been used. We have compared the means of two independent groups i.e. Generation X and Generation Y employees at academic workplaces in order to determine whether there is statistical evidence that the associated population means are significantly different.

**Table 3:** Analysis of Factors Affecting Academic Workplace Culture with respect to the Type of Generation using Independent Samples t-Test

Factors	Type of Generation	Mean	t-value	Sig.
Quality of work	Generation X	3.33	-0.493	0.623
	Generation Y	3.46	-0.498	
Inter-generational learning	Generation X	3.52	2.521	0.013
	Generation Y	2.96	2.424	
Team work	Generation X	3.02	-0.421	0.675
	Generation Y	3.11	-0.429	
Communication breakdowns	Generation X	3.29	0.742	0.460
	Generation Y	3.11	0.749	
Conflicts (or resentment)	Generation X	3.38	0.378	0.706
	Generation Y	3.28	0.374	
Level of respect	Generation X	3.56	3.782	0.000
	Generation Y	2.70	3.662	
Reliance on technology	Generation X	3.48	0.794	0.429
	Generation Y	3.30	0.770	
Level of seriousness	Generation X	3.18	2.250	0.030
	Generation Y	2.67	2.207	

Note : Significant at 5 % level

The table 3 shows that according to Generation X lecturers i.e. who were born between years 1965 & 1984, the highest factor which occurs in an academic workplace due to generational differences

as a primary reason for occurrence is, the level of respect with a mean score of 3.56. According to them, the employees feel that coworkers from other generations do not respect them. It is then followed by inter-generational learning, reliance on technology, conflicts (or resentment) between workers of different generations, quality of work due to variety of generational perspectives, communication breakdowns and level of seriousness with mean scores of 3.52, 3.48, 3.38, 3.33, 3.29 & 3.18, respectively. They think that team work with mean score 3.02, is the least important factor which occurs due to generational differences, as it involve workers from different generations who work together effectively in order to attain their pre specified mutual goals.

In contrast to this, according to Generation Y lecturers i.e. who were born between years 1985 & 2004, quality of work due to variety of generational perspectives with a mean score of 3.46, occurs most in an academic workplace. Then, reliance on technology, conflicts (or resentment) between workers of different generations, team work, communication breakdowns, inter-generational learning and level of respect follows it with mean scores of 3.30, 3.28, 3.11, 3.11, 2.96 & 2.70, respectively. And the least significant factor occurring at an academic workplace believing generational differences as the reason is the level of seriousness with a mean score of 2.67.

Table 3 shows the value of computed t statistic also. It measures the size of difference in relation to the variation of our sample data. The positive t value indicates that the mean for the first group i.e. Generation X employees, is significantly greater than the mean for the second group i.e. Generation Y employees. While, negative t value indicates that the mean for Generation Y employees is greater than the mean for Generation X employees.

As per table 3, the significance level for all the factors, except second, sixth and eight factors, is greater than our alpha value, 0.05. Therefore, we partially accept null hypothesis that the factors affecting academic workplace culture are insignificant of Generation X and Generation Y. Thus, the factors which significantly vary from generation to generation are effectiveness of inter-generational learning, levels of respect and levels of seriousness. According to the respondents, workers from different generations learn from one another, they feel that coworkers from other generations do not respect them, and take them less seriously.

H02 : The methods for managing an intergenerational workforce at academic workplace are insignificant of Generation X and Generation Y

The table 4 shows us the mean scores, t values and significance levels of Generation X and Generation Y respondents with respect to the impact on them from methods for managing an intergenerational workforce at academic workplace.

**Table 4:** Analysis of Workforce Management Methods with respect to the Type of Generation using Independent Samples t-Test

Methods	Type of Generation	Mean	t-value	Sig.
Collaborative discussion, decision-making or problem-solving	Generation X	3.97	3.131	0.002
	Generation Y	3.24	3.076	
Creating intergenerational mentoring programs	Generation X	3.47	0.852	0.396
	Generation Y	3.28	0.851	
Introducing training on multigenerational issues	Generation X	3.27	0.550	0.583
	Generation Y	3.15	0.548	
Offering flexible learning opportunities	Generation X	4.21	1.735	0.086
	Generation Y	3.83	1.743	
Performance management systems addressing each generation	Generation X	3.76	2.802	0.006
	Generation Y	3.13	2.696	
Creative rewards and recognition programs	Generation X	4.32	3.355	0.001
	Generation Y	3.72	3.276	

Note : Significant at 5 % level

In table 4, according to the Generation X lecturers, the most successful factor for managing an intergenerational workforce is creative rewards and recognition programs with a mean score of 4.32. It is then followed by flexible learning opportunities, collaborative discussion, decision-making or problem solving sessions, performance management systems addressing each generation and intergenerational mentoring programs having mean scores 4.21, 3.97, 3.76, & 3.47, respectively. And, the least successful factor is the introduction of training on multigenerational issues which has a mean score of 3.27.

Whereas, for lecturers belonging to Generation

Y, the flexible learning opportunities should be improved first for intergenerational workforce as it has the highest mean score of 3.83. And, performance management systems addressing each generation should be administered in the last as it has the lowest mean score of 3.13.

In table 4, since the significance level for first, fifth and sixth method is smaller than our alpha value, 0.05, and the significance level for second, third and fourth method is greater than our alpha value, 0.05. Therefore, we partially accept null hypothesis and partially reject it. Thus, the methods for managing an intergenerational workforce at academic workplace such as collaborative discussion, decision-making or problem-solving, performance management systems addressing each generation and creative rewards and recognition programs are significant of Generation X and Generation Y. While the methods such as creating intergenerational mentoring programs, introducing training on multigenerational issues and offering flexible learning opportunities are insignificant of Generation X and Generation Y.

## Findings

Today, workplaces have employees from multiple generations and the varying ideas, values, and experiences affect the workplace. The academic institutions are reaping the benefits of diversity provided by the workers of different generations as multi-generational workforce is prevalent in every workplace now. The variability in age changes the interpersonal dynamics in the academic work environment. A careful synthesis of the responses revealed the following results:

- Generation Y constitutes of more female respondents as compared to the male respondents. While, Generation X includes equal number of males and females.
- The respondents who were single and belongs to Generation Y are twice of single respondents belonging to Generation X. 46% of the respondents who were born between years 1965 & 1984 are married while only 16% married respondents were born between years 1985 & 2004.
- The proportion of respondents who were born between years 1965 & 1984, and possess post-graduation as their highest educational degree is smaller in comparison to those born between years 1985 & 2004.
- Most of the respondents who belong to Generation X are designated either as Professors

or as Associate Professors in academic institutions. While, Generation Y employees are majorly working as Assistant Professors.

- The factors which are significant of Generation X and Generation Y employees in academic workplaces are effective learning, respect and seriousness.

According to the respondents of our study, the employees at academic workplaces think that workers from different generations effectively learn from each other, they feel that coworkers from other generations do not respect them and also the employees take coworkers from other generations less seriously.

- The effective methods for managing an intergenerational workforce at academic workplace which are significant of Generation X and Generation Y are
  - o collaborative discussion, decision-making or problem-solving,
  - o performance management systems addressing each generation, and
  - o creative rewards and recognition programs.

While the methods which are insignificant of Generation X and Generation Y are

- o creating intergenerational mentoring programs,
- o introducing training on multigenerational issues, and
- o offering flexible learning opportunities.

There are similarities as well as differences among the different generations. Furthermore, many of those differences are not ingrained within individuals, but are context dependent. Individuals within generations also constitute a diverse group and as such, preferences associated with a particular generation are not necessarily true of all its members.

## Recommendations

In order to make generational transition as smooth as possible, administrators should take the responsibility on their shoulders. According to me, to create a culture that leverages the typical strengths of each generation, academic institutions should try to understand each generation and consider the following approaches to make an impact.

- Diversity can promote creativity and innovation. But the colleges should first build awareness and start a dialogue about differences because such awareness can surface other issues and

questions regarding generational differences.

- When different generations work together, they have their own attitudes and communication styles, which can sometimes cause misunderstandings and conflicts. The teams of multigenerational workforces should be created who not only focus on generational issues but also on what each individual brings to the group. So, it is very essential to commit to a culture of diversity, which can be achieved with a shared vision of recruiting, motivating, and developing a diverse pool of employees, while continually encouraging individuality.
- Knowledge transfer between generations is an essential byproduct of bringing people together at work. But it's not just about passing along information. Networking and mentoring also encourage growth and development of both young and old workers-and help boost employee engagement across all age groups.
- Different generations prefer different communication styles. Tailoring communication styles for every generation can help motivate employees and boost engagement, while reducing confusion and misunderstandings.
- The biggest gap among the generations is the familiarity and use of the latest tech equipment, gadgets, and software/apps. Generation Y people have grew up with the technology; while Generation X have been learning it on the fly and always seem to be playing catch-up. Those who have retired have a lot more time to catch up. "Reverse-mentoring" might be a possible strategy to assist the older generations catch up.
- The differences in knowledge, style, history, and baggage among the generations can create conflict easily. Respect fits within the broader context of professional behaviors in the workplace. Building an atmosphere of respect for all employees and students can be challenging, but it has to begin somewhere. The issues relate to understanding generational differences and viewpoints; creating an open and continuous dialogue on respect; providing a chat room and blog on respect; modeling respect in daily behaviors; recognizing people for respecting generational differences.

All employees must abide by and uphold company policies, all employees must fulfill the expectations of their job; all employees have a right to know what is expected of them, and all employees should be given feedback on how they are meeting these expectations.



## Conclusion

The current generational composition of faculty, administrators, and staff in colleges and universities is more diverse and complex than at any time in the history of higher education. Just as with other categories of diversity, employee's knowledge, understanding, and appreciation of the characteristics, differences, and potential sources of conflict are essential.

The study concludes some major differences between Generation X and Generation Y employees on the basis of their demographic profiles such as gender; marital status; highest educational degree and current roles in academic workplaces. The factors which are significant of the employees of Generation X and Generation Y in academic workplaces are effective learning, respect and seriousness. And, the effective methods for managing an intergenerational workforce at academic workplace are collaborative discussion, decision-making or problem-solving, performance management systems addressing each generation, and creative rewards and recognition programs.

Provosts, faculty developers, and HR directors must take the leadership to address these issues with custom-tailored workshops and retreats in order to cultivate an academic workplace where different generations of employees and students can thrive and be productive together rather apart. The major challenge is to be proactive and take action to reduce and, hopefully, eliminate those gestures and words that can destroy the academic work environment.

Like members of large and happy family, both the older and younger employees should support and build on the strengths of one another. The sooner employees from all the existing generational groups learn to respect and accept one another the easier it would be for them to welcome generation Z employees to the new workforce in academic institutions after year 2020.

## References

- Becton, J., B., Walker, H., J., & Farmer, A., J. (2014). Generational differences in workplace behavior. *Journal of Applied Social Psychology* 2014, 44, pp. 175-189
- Berk, R., A. (2014). Multigenerational diversity in the academic workplace: implications for practice. *Journal of Higher Education Management* 28 (1) 2013, pp. 10-23
- Cennamo, L., & Gardner, D., (2008). Generational differences in work values, outcomes and person-organization values fit. *Journal of Managerial Psychology*, 23, pp. 891 – 906
- Fraone, J., S., Hartmann, D., & McNally, K., (2008). The multi-generational workforce. Retrieved from <http://www.bc.edu/cwf>
- Hannam, S., & Yordi, B., (2011). Engaging a multi-generational workforce: practical advice for government managers. Retrieved from [www.businessofgovernment.org](http://www.businessofgovernment.org)
- Hoff, J., (2010). Generational differences in work preferences (Master's Thesis, Universiteit Twente, Netherlands). Retrieved from [http://essay.utwente.nl/60041/1/MA\\_thesis\\_J\\_Hoff.pdf](http://essay.utwente.nl/60041/1/MA_thesis_J_Hoff.pdf)
- Hornbostel, B., Kumar, P., & Smith, R., (2011). Employee engagement across four distinct generations. Retrieved from <http://research.microsoft.com/en-us/projects/thinkweek/>
- Iden, R., L. (2016). Strategies for managing a multigenerational workforce (Doctoral Thesis, Walden University, Minnesota, USA). Retrieved from <https://scholarworks.waldenu.edu/dissertations>
- Leahy, K., McGinley, J., Thompson, J., & Weese, T., (2008). Generational differences in workplace motivation. *American Intelligence Journal*, 29(1)
- Meriac, J., P., Woehr, D., J., & Banister, C., (2010, February 17). Generational differences in work ethic. *Journal of Business Psychology*. doi:10.1007/s10869-010-9164-7
- MetLife Mature Market Institute, (2009). Engaging the 21st century multi-generational workforce. Boston College, Massachusetts, United States. Retrieved from [www.agingandwork.bc.edu](http://www.agingandwork.bc.edu)
- Parker, C., C., (2007). Generational differences in work-life balance attitudes (Master's Thesis). The State University of New York, New Paltz
- Platteau, E., Molenveld, A., & Demuzere, S., (2011, July 3-6). Do generational differences regarding organizational culture affect intergenerational conflict? Paper presented at 24th Annual International Association of Conflict Management Conference, Istanbul, Turkey. Retrieved from <https://lirias.kuleuven.be/bitstream/>
- Society for Human Resource Management, (2009). The multigenerational workforce: opportunity for competitive success. Retrieved from [Society www.shrm.org/research](http://www.shrm.org/research).

# AN ANALYTICAL STUDY OF RISK MANAGEMENT

C. P. Gujar\*

**Abstract:** In finance, risk refers to the possibility that the actual return on an investment will differ from what was predicted. There's a chance you'll lose part or all of your initial investment. The link between risk and return is a key concept in finance. The higher the possible profit, the higher the chance of failure. Normally, one assumes. Risk management is an activity that includes recognising risk, assessing risk, devising risk management strategies, and mitigating risk through managerial resources. Traditional risk management strategies concentrate on threats posed by physical or legal factors (e.g. natural disasters or fires, accidents, death). Financial risk management, on the other hand, is concerned with hazards that may be controlled via the use of traded financial instruments. The document discusses the many processes in the risk management process, as well as the methodologies utilised in each step, and includes some risk and safety management examples. The goal of risk management is to decrease various hazards associated with a pre-determined area to an acceptable level. It can relate to a wide range of risks posed by the environment, technology, people, organisations, and politics. By examining the company's capital structure, financial risk may be reduced. When the debt-to-equity ratio is high, the investor should be cautious. He should include the interest payment in addition to the capital structure analysis. During a boom, an investor can choose a heavily leveraged firm, but not during a downturn.

**KEYWORDS:** Financial risk management, Investment, Management, Return, Risk

## Introduction

### 1.1 Risk

Risk is defined as the possibility of losing something valuable vs the possibility of gaining something valuable. When taking a risk, values (such as physical health, social standing, emotional well-being, or financial riches) might be obtained or lost as a result of a planned or unplanned action, activity, or inactivity. The purposeful engagement with uncertainty may also be characterised as risk.

### 1.2 Financial Risk

In finance, risk refers to the possibility that the actual return on an investment will differ from what was predicted. There's a chance you'll lose part

or all of your initial investment. The link between risk and return is a key concept in finance. The larger the potential profit sought, the greater the risk assumed. The pricing of an instrument in a free market reflects this principle: high demand for a safer instrument drives its price higher (and its return correspondingly lower), whereas low demand for a riskier instrument drives its price lower (and its potential return thereby higher). A low-risk investment, such as a U.S. Treasury securities, has a low rate of return, but a stock in a start-up has the potential to make an investor extremely rich, but also the potential to lose their whole investment. Risk quantification is easier for some categories of risk than for others. Risk is often estimated as the standard deviation on an investment's average

---

\*Dr. C. P. Gujar, Professor and Head, Department of Business Management, M. G. C. G. V. Chitrakoot Satna (M.P.)

return to the degree that it can be quantified.

If a company's cash flow is insufficient to pay its financial commitments, shareholders may lose money. If a firm employs debt financing, its creditors will receive payment before the company's shareholders if the company goes bankrupt. Financial risk also includes the danger that a firm or government would fail on its obligations, causing bondholders to lose money.

### 1.3 Financial Risk Management: A Selective History

Without a quick glance at financial market history, no discussion on financial risk management is complete. Although this history is far from complete, it depicts significant events and milestones during the previous many centuries.

#### 1.1.1 Early Markets

Financial derivatives and markets are frequently thought to be recent innovations, yet they are not in many circumstances. Commodity were the first commodities traded, as they are vital to human survival. Informal commodities marketplaces existed long before industrialization to enable the purchasing and selling of goods. For millennia, farmers have been able to sell their produce for other valuable commodities in marketplaces in small towns and bigger cities.

These markets are the forerunners of today's stock exchanges. Producers and purchasers could now guarantee a price for sales and purchases thanks to the subsequent establishment of organised futures markets. In marketplaces where items had a short shelf life or were too heavy to take to market often, the capacity to exchange product and guarantee a price was very vital. As early as the eleventh century, Flemish businessmen employed forward contracts during mediaeval trade fairs, when letters de faire were used to stipulate future delivery. Contractual agreements have been reported as far back as the Phoenician period. During the infamous tulip frenzy episode in seventeenth-century Amsterdam, futures contracts encouraged trade in coveted tulip bulbs. Rice was a valuable product in seventeenth-century Japan. A secondary market grew as producers began to exchange rice coupons for cash. In 1688, the Dojima rice futures market opened in Osaka's business hub, with 1,300 registered rice dealers.

Rice merchants might sell futures contracts before of a harvest in the hopes of reduced prices, or buy futures contracts if it appeared that the crop would be poor and prices would be high. Rice tickets signified

either stored rice or rice that would be harvested at a later date. A slow-burning rope in a box dangling from the roof accompanied trading at the Dojima market. When the rope stopped smoking, the day's trade came to a close. However, if there was no trading price when the rope stopped smoking or if it expired early, the day's trade may be terminated.

#### 1.1.2 North American Developments

The emergence of futures markets in North America is likewise strongly linked to agricultural markets, particularly nineteenth-century grain markets. Grain price volatility made business difficult for both producers and merchant customers. The Chicago Board of Trade (CBOT) was the first structured futures exchange in the United States, founded in 1848. Non-standardized grain advance contracts were the company's main business.

Some participants defaulted on their commitments because to the lack of a central clearing entity, leaving others unprotected. In 1865, the CBOT responded by developing futures contracts with specified terms and a performance bond requirement.

These were the first futures contracts in North America. Farmers were able to set a price for their grain sales in advance of delivery on a uniform basis thanks to the contracts. For more than a century, North American futures trading was centred on the grain business, where large-scale production and consumption, as well as transportation and storage costs, made grain an excellent futures market commodity.

#### 1.1.3 Turbulence in Financial Markets

Turbulence in the international financial markets resulted in numerous significant developments in the 1970s. Price instability was exacerbated by regional war and strife, persistently high interest rates and inflation, poor stock markets, and agricultural crop failures. Floating exchange rates were introduced in the midst of this instability. The Bretton Woods agreement basically collapsed shortly after the United States abolished gold convertibility of the dollar, and major industrial countries' currencies shifted to floating rates. Despite being a virtual market, the currency market is the largest, and London remains the most significant centre for foreign exchange trading. Interest rate futures trading originated in the 1970s, in response to the more turbulent markets. Heating oil futures were the first energy futures product issued by the New York Mercantile Exchange (NYMEX) in 1978. Hedgers might use these contracts to control price risk. The creation of the

Commodity Futures Trading Commission is another noteworthy milestone.

**1.1.4 Automation and Growth**

In 1984, the International Futures Exchange in Bermuda became the first automated exchange, not in New York or London. The trade did not endure, despite its appealing location and ingenuity in automating. However, for today's exchanges, automation is frequently a need for survival. New resources are being developed. trading and computerised order matching systems, resulting in increased efficiency and lower trading expenses. Some Exchanges are totally virtual, replacing a physical trading floor with a global network of networked traders. In October 1987, financial markets were put to the test by a significant stock market collapse, the majority of which occurred in the United States. During the course of a few days Later, several analysts claimed that the futures markets had spooked investors, contributing to the panic. Following that, exchanges enacted new price limitations and tightened existing ones. Some traders attribute the stock market's late-nig

**1.1.5 New Era Finance**

In the 1990s, new derivatives products such as weather and catastrophe contracts were developed, as well as a wider acceptance of their usage. Risk management conversations and methodology improved as a result of increased usage of value-at-risk and comparable instruments.

Orange County (California), Daiwa Bank, and Long Term Capital Management all suffered losses. Derivatives losses were no longer front-page news. The sensational losses in the new era of finance were measured in billions of dollars rather than millions of dollars. The euro was accepted by Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal, and Spain in 1999, and Greece two years later. When opposed to maintaining a dozen distinct currencies, moving to a common currency considerably lowered foreign exchange risk for businesses doing business in Europe, and it triggered a wave of bank consolidations.

Technology stocks achieved a final spectacular peak in 2000, as the protracted equities bull market that had lasted for much of the previous decade lost momentum. Some stocks' subsequent drops were much greater than the market's post-1929 dips, and the business failures that followed the bubble made history. The terrorist events of September 11, 2001, affected many people's perceptions of

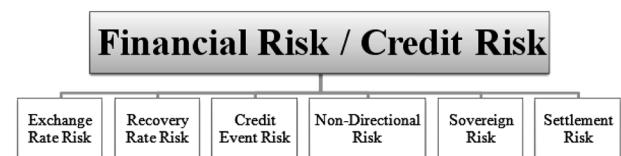
danger shortly after. In an increasingly uncertain geopolitical climate, precious metals and energy commodities become increasingly appealing. New risk modelling capabilities and derivatives trading in weather, environmental (pollution) credits, and economic indicators are among the new frontiers in the growth of financial risk management.

**1.4 Literature Review**

Financial Risk Management In A Volatile Global Environment, by Francis X. Diebold and Anthony M. Santomero (October 1999) The University of Pennsylvania is located in Philadelphia, Pennsylvania. The hazards of financial trading have received renewed attention as a result of recent occurrences in global capital markets. Senior executives, like risk managers, need to enhance their risk tolerance assessment on a regular basis. The long-running boom in the global marketplace may have rendered senior management complacent in the latest instance. They may have both misjudged risk and exaggerated their readiness to suffer the consequences as trading risk contributes an increasing percentage of bank earnings. It would be a mistake not to handle these two difficulties. It will cause the industry to continue to be surprised by reported trade results, possibly leading to a loss of faith in the system. Concerns over the latter may prompt pundits to advocate for regulatory changes, more transparency, or, at the very least, more monitoring.

**1.5 Origin of Financial Risk**

Financial risk originates from a variety of financial transactions, such as sales and purchases, investments and loans, and other company activity. It might emerge from legal transactions, new projects, mergers and acquisitions, debt financing, the energy component of expenses, or management's, stakeholders', rivals', foreign governments', or weather-related activity. When financial prices shift significantly, it might raise expenses, lower revenues, or otherwise harm an organization's profitability. Financial swings may make planning and budgeting, pricing products and services, and allocating resources more challenging. The type of financial risk/credit risk are depicted and explained below.



Exposure rate risk is another name for exchange rate risk. It is a type of financial risk that emerges from a potential change in the exchange rate of one country's currency against the currency of another country, and vice versa. For example, when investors or firms have assets or activities that transcend national boundaries, or if they have loans or borrowings in a foreign currency, they are exposed to exchange rate risk.

## 1.6 Risk Management

Risk management is a key aspect of business planning. The goal of risk management is to decrease or eliminate the possibility of certain events occurring or having a negative impact on the organisation. Risk management is the process of recognising, evaluating, and prioritising various types of hazards. Once the risks have been identified, the risk manager will devise a strategy to reduce or eliminate the unfavourable consequences. Depending on the nature of risk and the type of business, a range of techniques are available.

## 1.7 Financial Risk Management

Financial risk management is a process to deal with the uncertainties resulting from financial markets. It involves assessing the financial risks facing an organization and developing management strategies consistent with internal priorities and policies. Addressing financial risks proactively may provide an organization with a competitive advantage. It also ensures that management, operational staff, stakeholders, and the board of directors are in agreement on key issues of risk. There are three main sources of financial risk: 1. Financial risks arising from an organization's exposure to changes in market prices, such as interest rates, exchange rates, and commodity prices 2. Financial risks arising from the actions of, and transactions with, other organizations such as vendors, customers, and counterparties in derivatives transactions 3. Financial risks resulting from internal actions or failures of the organization, particularly people, processes, and systems.

## Main Thrust Of The Paper

### Reasons for manage Financial Risk

- 1 The following reasons are offered by financial economists as good reasons for risk management:-1.Risk management can reduce the costs of financial distress and bankruptcy.
2. Risk management can be used to lower the firm's expected tax payments.
3. Risk management can be used to lower the



payments demanded by a wide range of corporate stakeholders and reduce the risks of concentrated ownership in tightly held firms.

4. Risk management can be used to align the interests of management with those of the owners of the company.
5. Risk management can be used to assist firms in developing financial plans and funding programs.

## 2.2 Some Important Steps To Reduce Financial Risk



Investing, by its very nature, carries with it different types of risk. Because of changes in interest rates, inflation rates, currency exchange rates, and managerial differences between companies, one will always face the risk that an investment will lose one's money or that it will grow much more slowly than expected. To reduce financial risk one must learn how to manage investment portfolio well. There are several techniques which firms & investors can use for effective portfolio management.

## Steps.

### 2.2.1 Be familiar with the different types of risk.

Most financial risk can be categorized as either systematic or non-systematic. Systematic risk affects an entire economy and all of the businesses within it; an example of systematic risk would be losses due to a recession. Non-systematic risks are those that vary between companies or industries; these risks can be avoided completely through careful planning.

### 2.2.2 Determine the level of risk associated with varied investments.

Before reducing risk, one must understand how much risk he can expect from each type of investment. Stocks are some of the riskiest investments, but can also provide the highest return. Stocks carry no guarantee of repayment, and changing investor confidence can create market volatility, driving stock values down.

Bonds are less risky than stocks. Because they are debt instruments, repayment is guaranteed. The risk level of a bond is therefore dependent on the credit worthiness of the issuer; a company with shakier credit is more likely to default on a bond repayment.

Cash-equivalent investments, such as money market accounts, savings accounts, or government bonds are the least risky. These investments are also highly liquid, but they provide low returns.

### 2.2.3 Determine the level of risk one is willing to shoulder.

When deciding on an overall level of risk, one needs to assess how he wants to use the money from his investments in the future.

If one is planning a big expenditure in the near future (such as a house or tuition), or one is retiring soon, one should aim for a relatively low-risk portfolio. This will help ensure that market volatility doesn't cause investments to lose a lot of value.

If investor is younger and investing for a long-term goal, more risk is appropriate. Long-term goals allow him to wait out stock price fluctuations and realize high returns over the long run.

### 2.2.4 Reduce portfolio's risk level by allocating assets widely.

The first key to lowering risk is to allocate money between different investment classes. Portfolio should include stocks, bonds, cash equivalents, and possibly other investments such as real estate. The proportion of these allocations will depend on the level of risk investor wants to shoulder overall.

Allocating assets widely hedges against the risk that certain asset classes will perform well while others perform poorly. For example, if many investors begin buying corporate stocks, stock prices will rise; however, those investors may be selling bonds to fund their stock purchases, causing bond prices to fall. Spreading investments between stocks and bonds will protect against the risk of either category performing poorly.

### 2.2.5 Lower each asset type's risk through diversification.

Diversifying portfolio means buying a single type of asset from many different companies. This hedges against the risk that a single company or industry will perform poorly or go bankrupt.

For example, if you buy stocks in 30 different companies, it is not likely that all 30 will perform poorly or go bankrupt at once, barring an economy-wide downturn. However, if you used the same amount of money to

invest in only 1 company's stock, the company may perform poorly and drag your entire stock portfolio down with it.

## III. Study Of Financial Risk Management in Hdfc (Ergo) General Insurance

### 3.1 Risk Consulting Services

Risk Management Services as an offering is along with insurance products and solutions is relatively new to the Indian General Insurance Industry. Risk Management has assumed importance with entry of private general insurance companies in the Indian market. Our company has been one of the pioneers in offering this service in the Indian Insurance Market to our Corporate Clientele.

The word 'management' can be defined in terms of organizing of activities and controlling the use of resources in such a manner as to achieve some desired objective. For an industrial or commercial firm the objective may be to maximize profits, to increase revenue, to increase net worth or combination of different objectives.

Risk Management as a subject concerned with the planning, arranging and controlling of activities and resources in order to minimize the impact of uncertain events. Risks arising out of uncertainty can be classified as production risks, marketing & distribution risks, financial risks, personnel risks and environmental risks.

### 3.2 Several methods are used for handling of risks.

#### 3.2.1 Avoidance –

It is the most drastic way of handling of risks. It totally restricts to go by risk having certain activities which are considered to be 'risk prone'. For instance, if a factory uses some flammable substance for manufacturing of a product, one could think of not producing that product at all, so that the risk of fire is avoided.

#### 3.2.2 Risk Reduction –

It covers all methods employed to reduce either the probability of loss producing events occurring, or potential size of losses that do occur. This is a more positive approach of looking at risks. For instance, if a factory has a spray painting section using flammable paints and thinners, it could look at switching to power coating.

#### 3.2.3 Risk Retention –

Once the risks are identified and the costs of potential events are ascertained, the next stage is how to treat such risks. One option is to keep the risk to one self, which is to pay for them out of one's own resources when they occur. This is advised where the impact of risks are predictably small, measured accurately and do not threaten the business.

#### 3.2.4 Transfer –

Alternative way for reduction of risk is to transfer the activities which creates the risks on to someone else instead of doing it oneself, for e.g. subcontracting of activities involving handling of highly flammable materials to third parties. However, the most important and practical form of risk transfer is 'insurance', whereby a professional risk carrier such as a Non-Life insurer is requested to carry the residual risk at a consideration, called the premium.

## IV. Conclusion

Financial risk management is not a contemporary issue. Financial risk management has been a challenge for as long as there have been markets and price fluctuations. Financial risks arise from

an organization's exposure to financial markets, its transactions with others, and its reliance on processes, systems, and people. To understand financial risks, it is useful to consider the factors that affect financial prices and rates, including interest rates, exchange rates, and commodities prices.

The central conclusion of the paper is therefore that any system of regulation that is designed to protect against financial risk in needs to provide a high level of confidence that the firms which are supervised are able to survive any reasonable combination of stress shocks to their earnings with their capital sufficiently intact to ensure that they can continue in business long enough to allow appropriate remedial action to be taken either by the firm itself or by the regulator.

## Reference

- <http://en.wikipedia.org/wiki/Risk>
- <http://www.investopedia.com/terms/f/financialrisk.asp#axzz22Gu6FGX9>
- [http://books.google.co.in/books?id=X\\_\\_zoNzVh-QC&pg=PT19&lpg=PT19&dq=finance+risk+management+selective+history&source=bl&ots=6qUYcRkJ4D&sig=1aU7AoUGDs0F3smn\\_eHHzFuQ-J4&hl=en&sa=X&ei=NQoPU-PuOIiJrgfh-oGoCQ&ved=0CD0Q6AEwAA#v=onepage&q=finance%20risk%20management%20selective%20history&f=false](http://books.google.co.in/books?id=X__zoNzVh-QC&pg=PT19&lpg=PT19&dq=finance+risk+management+selective+history&source=bl&ots=6qUYcRkJ4D&sig=1aU7AoUGDs0F3smn_eHHzFuQ-J4&hl=en&sa=X&ei=NQoPU-PuOIiJrgfh-oGoCQ&ved=0CD0Q6AEwAA#v=onepage&q=finance%20risk%20management%20selective%20history&f=false)
- <http://fic.wharton.upenn.edu/fic/papers/99/9943.pdf>
- <http://kalyan-city.blogspot.in/2012/01/types-of-risk-systematic-and.html>
- [http://media.wiley.com/product\\_data/excerpt/67/04717061/0471706167.pdf](http://media.wiley.com/product_data/excerpt/67/04717061/0471706167.pdf)
- <http://www.wikihow.com/Reduce-Financial-Risk>
- <http://www.hdfcergo.com/Commercial/RiskConsultingServices.html>
- Book- Security analysis and portfolio management- Pandian
- <http://riskinstitute.ch/147320.htm>

# AN EXPLORATION OF THE PERCEPTIONS OF YOUNG UNEMPLOYED GRADUATES IN LUSAKA, ZAMBIA, OF THE FACTORS CONTRIBUTING TO THEIR UNEMPLOYMENT

Rashmi Gujrati\*  
Hayri Uygun \*\*

*Abstract: Unemployment is one of the significant indicators used by policy makers to assess the progress of any country towards achieving the Sustainable Development Goals. These goals include; promoting and developing oriented policies that support productive activities, sustainable full economic growth, productive employment and decent work for all.*

*Among the problems that youth face, youth unemployment is more pronounced (Moleke, 2005; Annamária, 2013). Exclusion of youth from participating in the economy affects their wellbeing, and that of society. The objective of this study was, therefore, to explore the perceptions of young unemployed graduates in Lusaka, Zambia, of the factors contributing to their unemployment.*

*To achieve the objective of the study, a qualitative research study was conducted with 20 unemployed tertiary level youth graduates in the field of humanities and arts studies. The study revealed that although the participants were actively job-seeking, a mis-match between their qualification and labour market skills demand; dependence on a formal or public sector post; lack of career guidance; lack of work experience; lack of social connections in the labour market; lack of merit based job recruitment practices which then promoted nepotism and corruption, and start-up capital for self-employment, were believed by the graduate participants to be the factors contributing to graduate youth unemployment.*

*The researcher in this study recommended that there was a need for youth graduates to be willing to venture into self-employment, to continue to demand for their right to employment opportunities from various stakeholders, to take responsibility to inform themselves about the existing government programmes and projects that relate to their employment, and to seek career guidance before embarking on their studies.*

*On the part of government, they were to sensitize the graduate youth on and promote access to programmes that promoted youth employment, to provide and promote equal access to employment opportunities in all the sectors of the economy, to improve the macro-economic policies to attract foreign investment, to promote economic growth, to be able to conduct monitoring and evaluation of internship programmes, and to inculcate an entrepreneurship spirit and skills in the youth of the country. The NGOs and the private sector needed to continue playing their role of promoting and also providing employment for the youth through empowerment and providing skills development opportunities through internships, and to improve partnership with government.*

---

\*Prof. Dr. Rashmi Gujrati Dean (International Affair) President TGAP –UK \*\*rashmigujrati@gmail.com

\*\* Dr Hayri Uygun, Recep Tayyip Erdogan University, Turkey \*\*hayri.uygun@erdogan.edu.tr



## Introduction

Graduate youth unemployment is a growing global phenomenon that is negatively affecting their present and future social-economic wellbeing (Moleke, 2005). Annamária (2013:183) argues that "If an increasing part of the new generation begins its adult life with the feeling of being unnecessary and having no chance to integrate into the mainstream society, the future will be burdened with more and more inexperienced and disappointed people with all the consequences of this."

This emphasises the need for exploration of perceptions of young unemployed graduates in Lusaka, Zambia, of the factors contributing to their unemployment so that ways to promote their employment can be found.

Regionally, Africa is experiencing a youth bulge, and like other Sub-Saharan countries. Zambia's population is overwhelmingly young with about 45.3% of its population being under the age of 15 years old (Central Statistics Office (CSO), 2012: IX).

The first chapter of this research provides a contextual understanding of the problem as well as the rationale and significance of the study. It also states the main research problem, research questions, and research objectives. This is followed by a brief explanation of the key concepts used in the study, the issue of reflexivity, and the structure of the research.

## Rationale And Significance Of The Study

The rationale of this research is to explore the perceptions of young unemployed graduates in Lusaka, Zambia, of the factors contributing to their unemployment, with acknowledgement that this study is essential given the enormous investments made in graduates' education by both the government and private individuals (Moleke, 2005).

The findings from this study could encourage larger similar research projects to be conducted. It is also hoped that the study will contribute to an understanding of the range of factors contributing to youth graduate unemployment, thereby assisting policy makers and planners to rationally devise interventions directed towards improving the youth employment rate among graduates in Zambia.

## Research Question

What are the factors that contribute to unemployment among graduate youth in Lusaka, Zambia?

## Research Goal

To explore the factors contributing to unemployment among graduate youth in Lusaka, Zambia.

## Research Objectives

1. To explore and describe unemployed youth graduates' job-seeking behaviour and experiences.
2. To explore and describe unemployed youth graduates' understanding of the reasons for their unemployment.
3. To explore and describe the views and experiences of unemployed youth graduates of the consequences of their exclusion from employment opportunity.
4. To explore and describe unemployed youth graduates' views of ways to promote the employment of youth graduates.

## Research Methodology

To meet the main objective of this study, which was to explore the perceptions of young unemployed graduates in Lusaka, Zambia, of the factors contributing to their unemployment, this methodological chapter of this study discusses how the researcher collected and analyzed data

## Research Approach

To meet the research objectives of this study, the use of an exploratory qualitative approach. Thus, the use of an exploratory qualitative approach in this study helped the researcher to gain an understanding on how the unemployed youth graduates in the study field of humanities and arts interpreted their daily experiences and the meaning they gave to their status of being unemployed in Lusaka, Zambia (Engel & Schutt, 2010).

## Research Design

To gain an understanding of how the unemployed youth graduates interpreted their daily experiences and the meaning they gave to their status of being unemployed, the researcher used an exploratory qualitative research design. This kind of research design requires that the researcher enters the field with an open mind in order to be able to identify vital themes as they emerge during the interview processes with the research participants (De Vos & Fouché, 2005).

## Research Population

The unemployed youth graduate participants for

this study were residents of Kanyama, a socially and economically disadvantaged community close to the researcher's place of residence in Lusaka. The reason for the choice of this geographical area is because in this community, the majority of people are unemployed, according to the Zambia report (2015).

In this study, there was one population and one sample that together fulfilled the objectives of this study. The population from which the research sample was drawn was from all the unemployed youth graduates in Kanyama compound with tertiary education level qualifications in the field of humanities and arts studies from any higher learning institution in Lusaka, Zambia. There was no data base available for this population in the selected study community of Kanyama.

### Sampling method

Being a qualitative study, the research sample was drawn from the research population in this study using a non-probability sampling method (Strydom, 2005). To reach the desired size of the study sample, snowball sampling from the study population had to be used. Snowball sampling is when the sample is made up by approaching one participant who then helps the researcher to identify other similar people within the study population to make up the complete study sample (Strydom, 2005).

### Data Collection

The study used semi structured, face-to-face interviews with each of the 20 participants. The advantages of these face-to-face interviews for data collection were that: the researcher was able to explore the context in which participants gained their understanding of their experiences and perceptions regarding graduate youth unemployment; allowed for a high level of confidentiality while allowing more flexibility and freedom for participants to share their experiences and perceptions of youth unemployment (De Vos & Fouché, 2005; Babbie & Mouton, 2001). However, this approach was time consuming in terms of data collection and data analysis.

### Data collection Tool

With the signed consent of the participant, a digital recorder was used to record the interviews. Recording the interview sessions allowed the researcher to concentrate on exploring the topic, noting the non-verbal cues and being more attentive during the interview process. During the interviews, there was no malfunctioning of the tape recorder, and all

the participants seemed comfortable with being recorded, and so there was no disturbance with the interview process, and the quality of data collected. (Opdenakker, 2006).

### Data Analysis

The data collected were analysed by the researcher, using the eight steps suggested by Tesch (1990) which are as follows:

1. This process involved transcribing all the interviews and analysing each transcript.
2. During the analysis, labels were accorded to various texts in an effort to understand the underlying meanings in relation to the objectives of the study.
3. The texts were then coded according to the main themes, categories and sub-categories.
4. Further refinement of this coding was done in order to arrive at a coding framework, to make sense of the data.
5. The findings were then written up using the coding framework as a guideline.
6. Actual quotes were used to illustrate the themes/categories/sub-categories and these quotes were linked to various authors in the literature review.
7. The researcher added her critical commentary in the discussion. This was done by comparing and contrasting the research findings with other studies in order to provide critical understanding as to why it is similar or different.
8. A further step was then taken to use a causal layered analysis approach and developing a deeper level of understanding.

### Data Verification

The trustworthiness of qualitative research is established on a set of criteria: transferability, credibility, confirmability, dependability (Lincoln & Guba, 1985).

### Ethical considerations

Ethical considerations in this study were professionally adhered to in line with the guidelines by the ethical standards of social science research. This is done in order not to endanger the mental, emotional or physical health of the participants as the nature of the study may induce sensitivity or worry in them as they come to new understandings about themselves (Babbie & Mouton (2010). Below are the ethical considerations incorporated into this research:

Voluntary participation, Confidentiality, Anonymity, Deception of subjects, Limiting Harm to Participants and Participant's Access to the Research report.

## Literature Review

In this section, legal frameworks that the Zambian government has developed to deal with youth unemployment which include; the national youth council Act of 1986 of Zambia, and the national youth policy 2006, are discussed in detail below.

Zambia identifies youth unemployment as one of the problems that Zambian youths face due to lack of economic growth and scarce job opportunities. The government of Zambia also points out that youth unemployment could lead to involvement of these youth in crimes, early marriages, and other health threatening situations (National Youth Policy [NYP], 2006). Hence, the Zambian government through various legal instruments has made attempts to promote youth employment. However, the persistent existence of the youth unemployment problem in Zambia today, indicates the existence of challenges pertaining to the success of such policy interventions to youth unemployment.

The National Youth Council Act of 1986 of Zambia: This Act provides a legal basis for establishment of Gazette Notice No. 547 of 2004 upon which the National Youth Policy (2004) was formulated and subsequently reviewed in 2006. The Gazette Notice No. 547 of 2004 "guides the review of various pieces of legislation relating to youth development" (NYP, 2006:40). To effectively implement the NYP (2006), the National Youth Development Council (NYDC) was established, and through collaborations with the ministry of sport, youth and child development, the national youth policy programmes are implemented and monitored.

National Youth Policy 2006: The commitment of the Zambian government in addressing youth unemployment is well detailed and documented in its National Youth Policy of 2006 (NYP, 2006). In this document, the Zambian government pledged to overcome most of the problems being experienced by the youth population in the country.

## Programmes and interventions to address youth unemployment

Included in the legal frameworks discussed above that the Zambian government has developed to deal with youth unemployment, are the various programmes and interventions that address youth unemployment. These programmes and interventions include:

1. **Formal education and vocation training:** Through this programme, the government intends to make the youths employable by providing and making formal education available and accessible to many youths, and providing skills through vocational training to those youths without formal education.
2. **Youth development fund and Citizens Economic Empowerment Commission (CEEC):** Under this programmes, the government intends to empower the youths by providing land and micro financing to youths as start-up capital for those youths willing to venture into an entrepreneurship kind of employment.

In conclusion, despite the existing legislations, policies and programmes, graduate youth unemployment is high in Zambia. In the following section, theoretical frameworks will be used to understand the problem of graduate youth unemployment.

## 1. The job-seeking behaviour and experiences of unemployed youth graduates.

Most of the participants indicated that they were actively seeking employment, and that they were also confident that they will find the job they are seeking for. On the other hand, most of the participants indicated that they were prepared for job-seeking although the level of determination in job-seeking for most of them had gone down.

Most of the participants indicated that family pressure and the need for personal income motivated them to seek for a job, and that the experiences of job-seeking for most of them were negative. It is important to note that all these factors relate and interact in shaping the job-seeking behaviour and experiences of the unemployed people as will be explained below. Most of the participants indicated that the need for personal income and to financially support their families were the motivating factors behind their search for a job.

Another important factor in the job-seeking behaviour is the determination level of the job seekers. Most of the participants in this study pointed out that their determination had decreased below imagined levels, for example:

## 2. Unemployed youth graduates' understanding of the reasons for their unemployment

There are many reasons that were indicated by unemployed youth graduates as having contributed

to their unemployment, these include; qualification-employment mis-match, dependence on a formal or public sector post, lack of career guidance, lack of work experience, lack of social connections lack of professionalism in job recruitment, Social economic status, and lack of job opportunities. In this study, most of the participants indicated that they did not receive formal career guidance before choosing their studies.

Some of the participants indicated that they just received a friend's piece of advice or had someone who chose the qualification for them. The majority of participants indicated that according to their understanding lack of work experience contributed to their unemployment.

From the analysis above, it is clear that the participant's understanding of the reasons for their unemployment centered around their qualification-employment mis-match, dependence on a formal or public sector post, lack of career guidance, lack of work experience, lack of social connections, the social economic status, lack of professionalism in job recruitment, lack of job opportunities, and the unsuccessful government policies and programmes to promote self-employment.

### **3. The consequences of youth exclusion from employment**

Graduates' initial unemployment has adverse psychological, social, occupational and financial effects on them (Fajana, 2000). Unemployment may cause distress, income loss, and damage to social standing and self-respect. Idleness, frustrations and depression resulting from youth exclusion from employment may lead youth to engage in social vices such as prostitution, drug abuse and alcohol consumption as well as criminal activities (NYP, 2006; Kingdon & Knight, 2004). Over time, social exclusion has a negative impact on the individual experiencing it, as well as on society (Toye & Infanti, 2004).

The majority of participants in this study indicated that exclusion from employment had affected their social interactions. They expressed experiencing discrimination and loss of power in their daily interactions with their friends. When participants were asked who else was affected by their unemployment situation, a majority of them indicated that their families, especially the siblings were affected.

In this study, evidence has been seen that exclusion of participants from employment has both present

and future consequences which affect not only their social and the economic wellbeing, but also their psychological and their family's wellbeing.

### **4. Unemployed youth graduates' ways to promote their employment and that of other youth graduates**

When participants were asked to give their views of ways to promote their employment and that of other youth graduates, the majority indicated that all stakeholders including the youth, Government, non-governmental organizations in civil society and the private sector, should play a role in promoting youth graduate employment. Many participants pointed out that amidst high unemployment rates in the country, youth should think of venturing into self-employment as a way to promote their employment.

The majority of participants also pointed out that the NGOs and the private sector can play an advocacy and service delivery role in commuting graduate youth unemployment by making government accountable for its governance, empowering the youth, and by providing employment opportunities to graduate youth.

### **Findings**

The main findings indicate that the unemployed youth graduate participants had reasons that hindered them in finding a job. Revelations were also made that exclusion of youth graduates from employment opportunities has serious consequences. Another finding indicate that all stakeholders which include the youth, government, and the NGOs and the private sector have a role to play in promoting youth graduate employment.

### **Conclusion**

In conclusion, it can be argued that having the motivation for job-seeking, and being confident that they would find a job, would have kept the participants active in job-seeking. However, low determination and the negative job-seeking experiences that were identified as reasons for their unemployment, would have reduced the level to which they were actively involved in job seeking.

It can further be concluded that participant's social, economic and psychological wellbeing were also being affected due to their exclusion from employment opportunities. In addition, it can also be concluded that participants viewed their future as being unbearable without employment. According to the experiences of the participants in this study,

their immediate families were also being affected by their exclusion from employment.

### Recommendations

Amidst the increasing numbers of graduates coupled with the slow economic growth in Zambia, formal employment is scarce. Youth graduates should therefore be willing to venture into self-employment and begin to view self-employment as a possible option for employment other than being dependent on formal employment. The youth graduate should also take responsibility to inform themselves about the existing government programmes and projects that relate to their employment. On the other hand, the youth should seek career guidance before embarking on their studies, and should also be in a position to demand for their right to employment from various stakeholders in the country.

### Recommendations

The following recommendations are offered based on the conclusions drawn above.

#### The unemployed youth graduates

Amidst the increasing numbers of graduates coupled with the slow economic growth in Zambia, formal employment is scarce. Youth graduates should therefore be willing to venture into self-employment and begin to view self-employment as a possible option for employment other than being dependent on formal employment. The youth graduate should also take responsibility to inform themselves about the existing government programmes and projects that relate to their employment. On the other hand, the youth should seek career guidance before embarking on their studies, and should also be in a position to demand for their right to employment from various stakeholders in the country.

#### The Government

In this study, most of the unemployed youth graduates indicated that they were not aware of any government programme that promoted their employment, the government should therefore sensitize the graduate youth on, and promote access to such programmes. The government policies and programmes should also promote self-employment, and should through the education curriculum, inculcate an entrepreneurship spirit and skills in the youth. Through policy instrument, the government should furthermore enhance equal access to employment opportunities in all the sectors of the economy by ensuring that job recruitment and hiring

in the country, is merit-based rather than being based on nepotism and corruption. On the other hand, the government should improve the macro-economic policies to attract foreign investment by creating an enabling political and economic policy environment; promote economic growth in order to create more jobs; and to be able to conduct monitoring and evaluation of internship programmes to assess if these are being utilised effectively.

#### The NGOs and the private sector

The NGOs and the private sector should continue to play their roles of advocacy; information gathering and analysis of the graduate youth employment and unemployment; dissemination of information on graduate youth employment and unemployment; monitoring and watchdog role on the implementation of policies and programmes on youth graduate employment; generation of ideas and recommendations on ways to promote youth employment; provide employment to youth graduates; facilitating/mediating between the youth and other stakeholders on this issue; financing and grant making in promoting and providing youth graduates with employment opportunities. The NGOs and private sector should also provide empowerment to youth graduates, provide skills development opportunities through internships, and should realise the need to improve partnership with government in order to effectively deal with the problem of youth graduate unemployment in the country.

#### Recommendation for further research

It is recommended that a research be done on exploration of perceptions of college and or university students on self-employment as an employment opportunity for them after their studies.

#### References

- Annamária, A. 2013. Is Youth Unemployment Really the Major Worry? *Debate: Journal of Contemporary Central and Eastern Europe*, 21:2-3, 183-205.
- Asaju, K., Arome, S. & Anyio, S. F. 2014. The rising rate of unemployment in Nigeria: the socio-economic and political implications. *Global Business and Economics Research Journal*, 3(2), 12-32.
- Atkinson, J. W. & Birch, D. 1970. *The dynamics of action*. New York: Wiley.
- Babbie, E. & Mouton, J. 2010. *The practice of*

- social research. South Africa: Oxford University press Southern Africa.
- Bessant, J. 2004. Mixed messages: youth participation and democratic practice. *Australian Journal of Political Science*, 39:2, 387-404.
  - Bhana, A. & Kanjee, A. 2001. Epistemological and methodological Issues in community Psychology. In: M. Seedat, N. Duncan & S. Lazarus. Ed. *Community psychology*.
  - Central Statistical Office of Zambia (CSO). 2010. Zambia labour force survey report. Zambia: Central statistical office.
  - Central Statistical Office of Zambia (CSO). 2012. Zambia labour force survey report. Zambia: Central statistical office.
  - Creswell, J. 1994. *Research design: qualitative and quantitative approaches*. Thousand Oaks CA: SAGE.
  - Engel, R. J. & Schutt, R. K. 2010. *Fundamentals of social work research*. Los Angeles: SAGE.
  - Fajana, S. 2000. *Functioning Of the Nigerian Labour Market*. Labofin and Company, Lagos, Nigeria.
  - Feather, N. T. 1990. *The psychological impact of unemployment*. New York: Springer-Verlag.
  - Greeff, M. 2005. Information collection interviewing. In De Vos, A.S., Strydom, H., Fouché, C.B. and Delport, C.S.L. Ed. *Research at grass roots: for the social sciences and human services professions*. 3rd ed. Pretoria: Van Schaik
  - Lincoln, Y. S. & Guba, E. G. 1985. *Naturalistic inquiry*. London: Sage Publications.
  - Marshall, M. N. 1996. Sampling for qualitative research. *Family practice*. 13 (6): 522-525.
  - Ryan, P. 2001. The school-to-work transition: a cross-national perspective. *Journal of economic literature*, 34-92.
  - Sen, A. 1999. *Development as freedom*. New York: Anchor Books
  - Walker, A. & Walker, C. Ed. 1997. *Britain Divided: The Growth of Social Exclusion in the 1980s and 1990s*. London: Child Poverty Action Group.
  - Wittenberg, M. 2002. Job search in South Africa: A nonparametric analysis. *The South African Journal of Economics*, 70, 1163-1197.
  - World Bank. 2012. *World Development Report: Jobs*. Washington, DC. World Bank
  - World Bank. 2013. *Zambia's Jobs Challenge: Realities on the Ground*. Washington, DC: World Bank

# HUMAN RESOURCE DEVELOPMENT IN TOURISM INDUSTRY

**Thimmaiah Bayavanda  
Chinnappa\***  
**N. Karunakaran\*\***

***Abstract:** Human resource development is greatly gaining attention for HR specialists, academicians and employees alike. The importance will increase further WTO forecast, tourism growth prospects for India as bright in coming years. With these growth prospects for tourism in India are very good. Since the industry is labour intensive HR plays an important role in promoting the industry. Therefore HRD effort in tourism industry requires major transformation and developments in future years. HRD plays a major and vital role in the development of tourism sector and should be taken as priority and adequate planning measures accordingly. Efficient HR increase satisfaction to customers and can create competitive edge.*

**KEYWORDS:** Human resource; tourism; development; industry

## Introduction

The tourism universe has been growing at a phenomenal rate for the last five decades especially after the Second World War and is positioned to go further at least in the coming two decades or so. The numbers of tourists worldwide are anticipated to be doubled approximately to one billion. This is going to mean inherent challenges of the system on both supply and demand fronts like increasing burden on people who plan, design, develop, manage, promote and protect tourism resources or train manpower. Moreover, external challenges will also surface like, consumer will become increasingly discriminatory, more experienced and value conscious, and consequently it will press the supplier to raise quality of services and to add value [1].

Therefore, the tourism industry has achieved new dimensions with travelers coming from near and far, to experience the intensity of India. With the roots of globalization firmly in place in India, the tourism industry has started playing its role in generating growth and increasing awareness as

well as securing to protect the countries invaluable resources. Developing nations are viewing tourism from a broader perspective in terms of its full impact on their regions and are playing and increasingly larger role in tourism planning. Tourism is not only an economic activity of importance to nation's development but also an important medium of cultural exchanges among nations of the world [2].

In this situation only organizations capable of creating a competitive edge can continue their achievement. The appropriate way to reach such complete edge in field is through human resource development. HRD is fast becoming a new competitive factor for tourism industry. Human context in which human performance occurs and the industry reaches its stated objectives. Therefore, enhancing international tourism with a similar large rise in domestic tourism demand will place excessive pressure on countries and operators capabilities to provide sufficient personnel educated and trained to the appropriate standard for the range of tourism managerial and skilled occupations [3]. Training programs to produce

---

\* Thimmaiah Bayavanda Chinnappa, Assistant Professor, People Institute of Management Studies (PIMS), Munnad-Post, Chengala (Via), Kasaragod, 671541, Kerala, India.

\*\* Dr. N. Karunakaran, Principal and Research Guide in Economics, People Institute of Management Studies (PIMS), Munnad-Post, Chengala (Via), Kasaragod, 671541, Kerala, India,

the necessary skilled staff is a challenge for all while basic education to prepare its people to be trained for tourism is a priority in developing countries.

All the areas of job progress indicate that the job of human resource professional in the industry is very demanding one and therefore a critical area of concern. Could be about people with right quality are found. The profession as to do a lot to raise the standards, to get higher quality people and to ensure that the member are educated in tourism industry and specifically in H.R.M to develop competent professionals to whom line experience and personnel experience would have been imparted [4]. Here managers are to ensure that aspiring professionals should acquire skills competencies to act as performance managers as well as HR specialists. The main aims are achieving to:

- Develop the human resource by creating the environment which provide opportunity to innovative ideas to excel and, career development risk and commitment to work not just for tomorrow needs but also for future,
- Development of the appropriate management styles and systems for the organizations,
- Identify the existing gaps in training and education and provide needed stimuli to initiate an impulse of change in organization vacuum to lead to improved efficiency, productivity and performance, and
- To design the development programs and educate employees beyond their requirements of present position to enable them to prepare for future assignments and able to take up broader view of their role in organization.

### **The overview of the HRD practices in Indian tourism**

In India at present development of the human resources for the tourism sector is in the joint participation of the private and public sector organization through the variety of programs.

#### **Public sector**

This sector is playing the very vital role in the development of the HR after the recommendations of the Jha committee which emphasizes the assuming of a positive and active role in the development of tourism, Department of the tourism, set up three different corporations under the provisions of the companies act 1956 Hotel corporation of India limited, Indian tourism corporation limited, Indian tourism transport undertaking limited. The main

function of these organizations was to construct and manage hotels in public sector, to produce materials for tourist publicity and to provide transport facility to tourists. In 1966, the Government of India set up an undertaking called ITDC amalgamating the erstwhile to three separate corporations. Amalgamation came into effect from March 1970, and ITDC has provided wide range of services essential for the promotion of the tourism.

#### **Private Sector**

The contribution of private sector in the promotion of tourism in India is beyond any description. The investments made by the private sector can be witnessed through the rise in Travel industry and hotel industry, mushrooming around the country at major tourist destination. New Economic Policy of 1991 had opened Indian economy to private sector through liberalization and as given enough and adequate recognition for the role of the private sector [7]. The Liberalization policy has envisaged investments by MNCs in setting up hotels of international standards, promoting tourist arrivals to the country. Apart from the hotels and airlines sector, there was major growth in travel agency sector also. To meet the demands of Human Resource to Private Sector, establishments, training Institutes of high repute with foreign collaborations were established like:

- a) Skyline Business School in associate of Skyline College, UAE: It was founded in association with Sharjha airport authority and civil aviation with the aim of responding innovatively and effectively to the new training needs of the travel, hospitality and service sector.
- b) SITA Academy: This was established to fulfill the needs of the quality human resource and its commitment to the cause of industry. This has specialized courses in the field of travel and tourism and also in ticketing.

### **Arena of human resource development programmes available for the tourism industry**

#### **Training programmes in service industry**

Depending upon the type of organizations, there are different types of training programmes in service industry. Big Organizations and Corporations in the Tourism, Travel and Hospitality Sector have their own in-house facilities for staff training and development. In case of SME's (small and medium enterprises), especially so owned for self employment



ventures or family owned affect this process in the industry, as:

- (i) Such training activities are too expensive,
- (ii) They may not be able to spare personal to be sent or kept away from the job for the training,
- (iii) Their locations limit access to such facilities, so there is a greater need for public sector, private sector, institutions and universities should assist them as done in case of CERT in Ireland.
- (iv) As far as SMEs in the Indian tourism are considered the facilities for inside training are very limited. Institutes such as IITM and KITTS do organize courses for officials of the Government Tourism Organizations on frequent basis. However, with regard to SME's in the private sector, such facilities are non-existence. The initiative should be taken by IITM and NCHM in collaboration with trade association with IATO; TAAI will offer solution to such issues.
- (v) The European Union has funded "South Asian Integrated Tourism Human Resources Development Program" (SAITHRDP), to help in-house training capacity in the tourism and hospitality sector to "trainer development programs", to the supervisor level personal is operational in India, from the year 1998 and now they have covered the entire country, the programme is expected to develop the training culture and expertise with Indian Tourism Industry. The SAITHRDP has developed sector specific instruction manuals, which would help to standardize training. This is a very good example for international co-operation and assistance in the form of HRD in tourism.
- (vi) The Distance Education by IGNOU and few other universities in India, who conduct both regular and part-time courses in tourism are also addressing to this problem to the certain extent. However, these programs are certain limitations, not only in terms of accreditations of specific skills but also in the effectiveness. And also recognition by the industry.

### The host community

Sustainability of oriented HRD focuses on preparing the host community, to accept and adjust to the benefits of the tourism industry because HRD to the host community has the additional benefit of attracting the potential employees and removing any traditional cultural restrictions to careers in the tourism industry [5]. To enable the host training in the

sector of tourism education through the universities and school should be further expanded, despite their shortcomings the target groups here should be custom and immigration officials, tourist taxi drivers and any other people likely to encounter tourist in their day to day life. In the Indian scenario KITTS organize these programmes on the regular basis for various personnel, however these programmes need wider geographical spread to be more effective. Another major issue in the Indian context is the cultural and traditional barriers for employment in tourism, which has serious implications in HRD in general on the host community and host community oriented HRD programs in particular [6]. The cultural reservations and prejudices are more acute when it comes to women taking up employment in service sector especially when it comes to jobs involving customer contact. Changing the negative attitude towards employment in tourism is the major challenge for HRD in Indian tourism. Host community education can have a very significant role in this and it is an area where all sectors of tourism; public, private and voluntary need to come together.

### Conclusion and suggestions

- It is the high time that government after reviewing the growth of tourist arrivals and socio-economic benefits of the tourist phenomena accord the status of priority sector, and allocate more resources.
- Tourism being highly labour intensive and there should be integrated HRD system in both public and private sector participation to develop human resources to meet the requirement of industry.
- In this era of modernization, the planners should ensure that best advanced technologies are exposed to the personnel for maximum efficiency and customer satisfaction.
- For the up gradation of the human resources there should be career development and career planning mechanism to make the employees aware of the general phases of their development.
- Training establishments should have foreign exchange programmes to ensure quality training in the successive development of human resource.
- Zonal manpower centers should be formed to recognize tourism as factor of regional development and these centers should conduct studies on availability of skilled manpower of the region.

- Education reforms should be initiated to ensure quality education with industrial approach, this in turn develop human resources to great extent.
- HRD programs should give due stress to high technology functional training to impart necessary skills.
- For awareness and implementations of various HRD schemes there should be confederation of Indian travel industries; which can monitor the implementation and advice the government in policy formulation for development of tourism industry at large and HRD in particular.

### Reference

- Arun Kumar Sarkar K, Action plan and priorities in tourism development.
- Bhatia A.K., Tourism in India - History & development, New Delhi Sterling
- Chinnappa T. B. and Karunakaran N (2021), "Global HR Skills and Competencies", Journal of Management Research and Analysis, Vol. 8, No. 2, pp: 76-78.
- Chinnappa T. B. and Karunakaran N (2021), "Human Resource Competencies and Roles in India", Journal of Management Research and Analysis, Vol. 8, No. 2, pp: 101-102.
- Karunakaran N (2017), "Economic Benefits of Tourism in Kerala", AJADAD Journal, Vol. 17, No. 2, pp: 31-36.
- Rakesh Kapoor, Tourism policy organization and management, Kanishka publisher, New Delhi
- Rao T.V. planning for human resource development. VIKALPA (IIMA) July-Sept 87

# THE DIMENSIONS OF INDIAN RURAL DEVELOPMENT: ISSUES AND CHALLENGES

V. S. Parihar\*

*Abstract: In the midst of the current global pandemic, India's national lockdown and measures to contain the spread of COVID-19 have been effective thus far, albeit at a cost, particularly among women of rural India. In order to gain a better understanding of the immediate impacts the pandemic and lockdown, a phone survey was conducted among about 400 below-the-poverty-line women members of self help groups in Kerala to assess the situation of their households. The great majority of households reported extreme declines in income and employment. Distribution of free rice rations seems to be working effectively, but most respondents did not report receiving monetary transfers from the government. Additionally, the study demonstrates how universities may engage their students in tackling this contemporary social issue, by offering them opportunities to translate their learned classroom knowledge to practical, real-world settings.*

## Introduction

The nature of the COVID-19 outbreak forced most conversations regarding the pandemic to digital platforms thus enabling the impact on different demographics to be studied in real time. Some social groups and communities depend solely on social networking, such as those in natural resource based livelihoods, where entire communities may participate together for subsistence. One such social group that relies heavily on collaborations and social cohesion is the Self Help Group (SHG) system. Typically, women in SHG's, from economically disadvantaged backgrounds meet together and manage finances together.

The Government of India's national lockdown as a measured response to the spread of COVID-19, immediately forced SHGs into standstill. The groups' primary forum wherein financial decisions were discussed and made, was no longer available. This unique circumstance presented an opportunity to conduct a rapid telephonic survey to study the immediate impact of the lockdown on SHG members in Kerala.

The study primarily investigates the effect of the lockdown on SHG women in Kerala. Women in Kerala are primarily tasked with duties of family caregiver, and is therefore of interest to learn from their experience of the lock down. Of specific interest are the following areas: access to availability of food, income and water, their health and general wellbeing. As news surfaces of how SHG members across India are responding, to the current public health crisis<sup>3</sup>, within their capacity, the study also looks at SHG activity during the lockdown.

The survey was conducted by graduate students as a part of their Master's in Social Work (MSW) fieldwork requirement. The lockdown provided social work students with an opportunity to practice their learned skills on a contemporary social problem. A total of 33 students from the MSW program were trained to conduct telephone surveys and collected data over a one-week period.

In many parts of the world, university students, who may have more free time since the introduction of work and mobility restrictions, can make a significant impact in monitoring the health, social and economic impacts of the COVID-19 pandemic. We believe the

---

\* Dr. V. S. Parihar, Professor - Department of Business Management, M. G. C. G. V. Chitrakoot Satna (M.P.)

model of action described in this document offers students a way to do so in a way that utilizes their skills and enables them to gain practical experience in their field of study. This may be especially relevant, but not restricted, to social work students. Projects of this kind can therefore provide both societal and educational benefits, and we invite other universities in India and around the world to join us in this endeavour. Creating a coherent monitoring program across multiple universities can provide decision makers with a powerful dashboard of the social impacts of the pandemic and economic restrictions. Our methods and survey instruments will be made available to any institution who might be interested in joining such an effort.

### Methods

A survey instrument was designed and validated by Amrita University researchers in collaboration with researchers from Tel Aviv University. Students from Amrita were trained to carry out the phone surveys; data collection commenced April 4, 2020.

Out of approximately 2,700 Amritasree SHGs that had more than 5 members with phone numbers, approximately 300 SHGs were randomly selected and invited to participate in the study. Five women from each of these selected SHGs were then randomly selected for the survey (a total of 1470 women).

Data was collected on the following parameters: basic household information, impact of COVID-19 on their income generation, consumption, finance, food, water and other supplies, as well as domestic situation and mental health. The surveys typically took about a half hour to complete. Permission was taken from the respondents on their availability and time. Data was collected from the respondents who consented.

### Results

The results reported are focused on women who were BPL card holders. Out of the 1400 candidates shortlisted, only 67% were reachable, available and willing to participate in the survey, the rest were unreachable or unavailable (16% were wrong numbers, another 14 % did not answer the calls, and 6% not interested in taking the survey among other reasons). A total of 411 of the 1400 shortlisted women who were reachable or available to talk, belonged to the BPL category. During the telephonic survey, the surveyors identified financial and psychological issues affecting respondents during the lockdown period. Among the respondents surveyed, 56% reported a below-poverty-line (BPL) economic status.

### Employment and Income Generation

The main occupations of the principal income earner in the family include fisherman (43%), daily wage laborer (33%) and salaried employee (10%).

About 77% of the principal income generators were reported to have stopped working since the lockdown (although they did not lose their job); an additional 12% have also stopped working but have lost their job. About 10% are still working as usual. Normally, the average number of working days in a week is 5.25, but has reduced to 0.5 days (87% reporting 0 working days) in the week prior to the date of the survey (from 5th to 11th April 2020).

Of the 30 respondents who reported having a small informal enterprise, 10% felt no difficulty in running the enterprise, 26% saw a reduction in customers, 17% could not obtain supplies and 47% could not go out to operate the enterprise.

When asked about loss of income, 20% of them reported a little loss, almost 50% reported large loss, and almost 30% reported complete decline. Only 3% reported no loss in income.

### Monetary Support

The Government of Kerala announced financial aid to families in the BPL and Antyodaya Card households a sum of INR 1000 each. When asked whether they received any transfer from the government over the preceding two weeks before 5th April 2020, only 17% said yes. 10% said they did not know and 73% said they did not. Only about 10% obtained a loan or money from other sources.

In their closing comments, the respondents shared their worries related to income and employment. Those who lost their job indicated an expectation of employment support from Amrita.

Majority of respondents commented in the closing remarks of the interview that they feel anxious about the economic loss due to lockdown, but they understood the importance of lockdown during this period and they are ready to stay back at home.

### Food Security

From April 1st onwards the Government of Kerala announced free distribution of 15 kg of rice grain to 81.14 lakh ration card holders in Kerala as a part of the State's mission to guarantee a "hunger free Kerala" during the COVID-19 emergency. When the surveyors enquired about the availability of food and water, 90% reported that they received an average of 16 kg of rice from the ration shop; (Normally a ration

card holder is entitled to 15kg of rice per month) 90% reported the price of rice was free of cost.

### Access to Water

Regarding water supply, 37% of them get their water from a pipe in their home, 33% from a well in their home, and 21% from a public source outside of their house. About 28% of all respondents said they faced some difficulty with their water supply, and that applied similarly to all the sources mentioned.

Social distancing and lockdown were reported to have encouraged altruistic behavior among the respondents. Some respondents explained how they helped their neighbor (particularly the elderly and those that don't have sufficient family support at home) to collect rice from the ration shop, purchase medicine and cook meals. Some respondents reported feelings of life slowing down since non-essential outings and socializing are not permitted in the lockdown.

### Subjective Assessments

When asked about perceived differences in their lives, 47% reported having more free time than usual and 8% reported having less free time. About 56% reported feeling more stress and anxiety, whereas 33% reported feeling less stress and anxiety. Finally, 16% report feeling more work pressure, whereas 66% reported feeling less work pressure.

When asked to assess their relationship with their husband, 30% said life at home is easier than usual, and 13% says life is harder. Most said it's the same (45%). Asked to describe her husband's mood, most reported no change (65%), 21% reported the mood to be more negative, and 11% more positive.

### Domestic Situation

The Asia-Pacific Gender in Humanitarian Action Working Group asserts the economic impacts of the 2013-2016 Ebola outbreak in Africa, placed women and youngsters at greater risk of exploitation and sexual violence. Therefore, we tried to know from women whether anyone in their community faced family conflict and abuse from an alcohol dependent spouse. Only 7% of women reported that they are aware of family clashes in their community, with 3% of men getting more drunk than usual, and 2% of men behaving inappropriately towards their wives (in the community).

### Health and Infection Indicators

Only 3% report knowing of anyone in their community with fever or cough and 4% reported

there is someone with breathing difficulty in the household. Respondents commonly mentioned that the "health of their family members is normal during this week. When we watch media reports via news or forwarded messages we become anxious about our health as well as the health of our community." Respondents expressed their fear and concern to the interviewers, about the uncertainty of the lockdown period.

### Student Feedback

The students were appreciative of the opportunity to be proactively involved, and at the same time hone skills acquired in a classroom setting. Working in a dynamic situation, the students were exposed to a myriad of challenges. This further enhanced the real-world experience and gave them an opportunity to address these issues in real-time.

### Conclusion

The economic and psychosocial impacts of the 2019–20 coronavirus pandemic has had far-reaching consequences on all segments of India's population. Vulnerable groups including people living below the poverty line, differently abled people, women, children, elderly and migrant workers in particular, have been negatively affected. Individuals without a stable income source, daily wage workers, displaced people or migrants are severely affected by the lockdown restrictions adopted by the government attempting to contain the spread of virus. Vulnerable groups are more severely affected due to the lack of job openings, lack of travel facilities to reach their home, non-receipt of wage from employers due to loss in business, etc...

Our results indicate that financial relief packages had not made their way to a majority of the intended beneficiaries (at the time the surveys were conducted), although the distribution of free rice seems to be working effectively.

The United Nations (World Economic Situation and Prospects: April 2020 Briefing) says the economic effect of COVID 19 pandemic will generally depend on two components: (1) the duration of restrictions on the movement of people and economic activities in major economies; and (2) the actual size and efficacy of financial responses to the crisis. If these two are not properly planned and executed by the authorities, the economic and psychosocial impact created by the COVID-19 pandemic will continue into the long term, which will in turn result in exacerbated social problems such as inequality, unemployment, violence and discrimination.

### Reference

- Choudhary, A. S. (2015). Economic Empowerment of Rural Women Entrepreneurs in Rajasthan through Self-help Group: A Case of SAKHI. *Advances in Economics and Business Management*, 2(3), 287-292.
- Sudarshan, R. M. (2011). India's National Rural Employment Guarantee Act: Women's Participation and Impacts in Himachal Pradesh, Kerala and Rajasthan.
- <https://frontline.thehindu.com/dispatches/article31229663.ece>
- <https://asiapacific.unwomen.org/en/digital-library/publications/2020/03/the-covid-19-outbreak-and-gender>

# FDI IN RETAIL SECTOR

Hayri Uygun \*  
Rashmi Gujrati\*\*

**Abstract:** Post 1991 reforms, with growing liberalization changes in the consumer purchase behavior can be seen. Rising population and consumer base is a big attraction for global retail giants to invest in Indian retail sector. The retail sector has grown by almost 4% annually since 2010. As the economies emerge from global pandemic, retail is growing at levels not seen in over 15 years. Retail sales grew are estimated 6.7% in 2020, well above the five year average of 4.4%. Introduction of FDI in retail took place in 2006; subsequently the government has allowed 100% foreign investment in single brand retail.

**Keywords:** GDP, FEMA, WTO, GATS, RBI, Single brand retail, Multi brand retail.

## Introduction

The retail sector in India has seen a tremendous growth over a past decade, with a shift towards the organized sector. Approximately 11-12% of the Gross Domestic Product is contributed by the retail sector and also provides almost 8% of employment in the country. Indian retail sector, especially the domestic organized retail segment, for a long time was considered to be sensitive because of the employment it generates and it being at a growing stage, both being disadvantageous for competing with large entities. Therefore, the government aimed at protecting agriculture and small retailers, discouraging big retail entities from entering the market. Now the revision of the FDI policy allows FDI in the retail sector.

India being a member of World Trade Organization (WTO) General Agreement on Trade in Services(GATS) had to open the trade sector for foreign investments, as the agreement includes the wholesale and retailing services to be opened up for foreign investments. Initially, reservations were imposed towards opening up of retail sector because of fear of job losses, procurement from international

market, competition and loss of entrepreneurial opportunities. Nevertheless, the government slowly opened the retail sector for Foreign Direct Investment in 1997.

- FDI in cash and carry was allowed under the government approval route with 100% ownership. It was brought under automatic route in 2006.
- 51% investment in multi brand retail outlet was permitted in 2006.
- FDI in multi brand retailing was prohibited in India.
- 51% in Multi-Brand retailing with some conditions has been allowed in India w.e.f. 20th Sept., 2012 with an option to the state Governments to allow or not to allow the FDI in retail sector in their states.

The policy ratifies a minimum investment of \$100 million, half of which has to be used for back end infrastructure like cold storage, refrigeration, and processing. The local sourcing of at least 30% of raw material would generate further employment opportunities, increasing income generation and

\* Dr Hayri Uygun, Recep Tayyip Erdogan University, Turkey \*\*hayri.uygun@erdogan.edu.tr

\*\*Prof. Dr. Rashmi Gujrati Dean (International Affair) President TGAP –UK \*\*rashmigujrati@gmail.com

leading to advancements in technology.

FDI policy announced by the Government of India and the provision of the Foreign Exchange Management Act (FEMA) 1999 governs the FDI in India.

### Objectives

The objective of this paper is to

- Understand the concept of FDI.
- Analyze the FDI policies of India in Retail sector and its impact on Indian consumer and economy.
- Study SWOT analysis of FDI.

### Research Methodology

The study is based on secondary data that are collected from various books, journals, research papers, and articles

### What is FDI?

Foreign direct investment is a kind of cross-border investment in which a party from one country makes an investment in another country with the intention of establishing a long term interest. It is an investment which defines the long term relationship and reflects the lasting interest. It may be undertaken by individuals as well as business entities. FDI helps in creating the new job opportunities as investor can build new companies in foreign countries, by this they can increase their income and boost their economy. It has three components:

- Equity capital,
- reinvested earnings, and
- Intra company loans.

Equity capital: when the investors purchases the shares of an enterprise other than its own country.

Reinvested earnings: when the investor's share of earning is not distributed and same is reinvested then it is known as reinvested earnings.

Intra company loans: It is also known as intra company debt which means the short or long term borrowing and lending of funds between direct investors and affiliate enterprise.

### What is retail?

Retail is defined as the sale of commodities or goods in small quantities to the ultimate consumer for their own use. In normal sense retail is the sale of a product from business to customer. In other words retail is the middle process from manufacturing place

to the customer place.

Retailers are the persons who sell the goods directly to the end user for their personal use. They usually make a personal contact with the consumer and satisfy their needs. Mostly retailers do not manufacture their own product but they have a clear idea about what the consumer actually want from the business and they help to satisfy their needs by clearly estimating their demand.

### Division of retail sector

#### Meaning:

Retail sector basically consists of all companies who sell goods and services to final consumer. The retail sector is showing a steady growth year-on-year and employs a huge number of workers worldwide. This is the highly competitive, fast-paced industry which is important to the economy. The consumers continue to spend more money to retail sector.

#### Division:

##### 1. Organized retailing

Organized retailers are the retailers who have undertaken a license and registered themselves for sales tax, income tax etc. It includes the corporate-backed hyper markets, retail chains and privately owned large retail business. Organized retail market has increased by 50% between 2012-2020 to its current value of nearly 12% of total retail. Modern retail is expected to grow at a 15% CAGR to reach 18% by 2025

##### 2. Unorganized retailing

On the other hand it refers to the traditional format of low cost retailing, for example the local kirana shops, general stores, convenience stores etc. the Indian retail sector is highly fragmented with 97percent of its business being run by the unorganized retailers.

### Entry options for foreign players prior to FDI policy

Some entrance routes used by the investors have been explained below

**A. Franchise agreements:** It is most easy way to come in Indian market. It is an agreement between the franchisee and the franchisor. It is the legal document that sets the rights and obligations of the main parties. In franchising, FDI is allowed with the approval of the Reserve Bank of India under the foreign exchange management act.



## B. Cash and carry wholesale trading

It involves the sale of goods and commodities to retailers, Industrial, commercial, institutional or other professional business user. To undertake the wholesale trading a license which specify the rules - regulations and orders of the state government – local self government body under the state government should be obtain they should the certificate of incorporation and registration.

## C. Strategic licensing agreements

Some foreign brands are providing a license and distributing their rights to Indian companies through these rights Indian companies can either sell it through their own stores or can distribute their brands to franchises.

## D. Manufacturing and wholly owned subsidiaries

The companies that are having wholly owned subsidiaries in manufacturing are treated as Indian companies and therefore they are allowed to do retail. These companies have been authorized to sell their products to Indian customer by internal distributors, franchising, own outlets etc.

## FDI Policy in India

Foreign Direct Investment (FDI), besides being a critical driver of economic growth, has been a major non – debt financial resource for the economic development of India. Foreign companies invest in India to take advantage of relatively lower wages, special investment privileges like tax exemptions, etc.

The favorable policy regime and powerful business environment of Indian Government has ensured smooth flow of foreign capital into the country.

FDI policy announced by the government of India and the provisions of the Foreign Exchange Management Act (FEMA) 1999 governs the Foreign Direct Investment in India. In the regard RBI had issued a notification, which contains the Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000. FDI and changes in sectoral policies are being monitored and reviewed on continued basis the Government of India, which is the nodal agency.

FDI Policy with Regard to Retailing in India

- FDI is permitted only in single brand product retailing – 100%
- In multi brand – 51%
- FDI cap in broadcasting was raised to 74% from 49%.

## Prospected Changes in FDI Policy for Retail Sector in India

1. **FDI in Single- Brand Retail:** - Single Brand Retail Trading means, internationally and domestically, goods are sold under a single brand name. It refers to a business or entity, or franchisee where goods are sold to individual customers and not to other businesses,

### Conditions

FDI in single brand product retail trading would be subject to the following conditions:

- Products should be sold under single brand only.
- Products should be under the same brand internationally.

2. **FDI in Multi – Brand Retail:** - Multi Brand Retail Trading (MBRT) means selling different products of different brands through same or one platform. FDI in MBRT is permitted up to 51% in all products with government approval.

Example: FDI in MBRT would mean that global retailers like Wal-Mart, IKEA, etc. can open stores offering a varied range of household items and grocery to consumers directly in the same way as the kirana stores.

### Conditions

FDI in multi brand retail trading, in all products, will be permitted, subject to the following conditions:

- The foreign investors will have to bring in a minimum amount of US\$ 100 million.
- At least 50% of total FDI brought in shall be invested in 'backend infrastructure' within three years of the first tranche of FDI, where back-end infrastructure' will include capital expenditure on all activities, excluding that on front-end units; for instance, back end infrastructure will include investment made towards processing, manufacturing, distribution, design improvement, quality control, packaging, logistics, storage, ware-house, agriculture market produce.
- At least 30% of the value of procurement of manufactured/processed products purchased shall be sourced from Indian micro, small and medium industries, which have a total investment not exceeding US \$ 2.00 million (INR 14 crore approx.) in plant & machinery.
- Location for retail sales may be set up only in cities with a population of more than 10 lakhs.

- First right to procure agricultural products will lie with the government,
- Fresh agricultural produce, including flowers, fruits, vegetables, pulses, grains, fresh poultry, fishery and meat products, may be unbranded.

### Evolution of Retail Sector

With the growing importance of 24/7 operations of the business and extensive changes taking place in the worldwide economy, the retail sector has been undergoing a substantial shift across the world.

Today, the world is turning into a global village. Contemporary retail businesses are having huge impact of consumerism, and technological advancements gave created opportunities and posed challenges for the retail industry. Due to the benefits of the economies of scale and also the expansion of business across the geographical boundaries at B2B (Business to Business) and B2C (Business to Consumer), the retail industry has seen impressive growth.

The Indian retail market, as proven by several studies, is one of the top emerging markets in the world. The retail sector is one of the pillars for the Indian economy, which contributes towards a growth rate of approximately 11-12% of the total GDP and approximately 8% towards employment.

Some favorable factors that support the growth of retail sector can be:

- Rise in fashion loving and brand conscious young population.
- Extensive urbanization
- Expansion of opportunities for new investment.

### Challenges of Retailing in India

The Indian retail sector would face following major challenges:

- Shortage of skilled manpower,
- Lack of industry status,
- Policy induced barriers,
- Challenges resulting from inappropriate planning and forecasting and financial risk due to high and substantial leverage, etc.

Retail sector in India has a long way to go; it needs to cross various barriers to truly flourish.

- a) Unorganized Sector: Competition faced from unorganized sector is the first challenge that organized sector faces. The Indian retail sector is flooded by the unorganized retailing with the supremacy of small and medium scale

enterprises. Large number of intermediaries operates at local levels and there are no barriers to entry. In India, cost of operating a business is very high and the Indian taxation system favors the small and medium scale enterprises.

- b) Infrastructure: Indian retail trading faces a challenge of inadequate infrastructure. Lack of investment in the logistics leads to inefficient market mechanism.
- c) Channel conflicts: A direct relationship with the suppliers is needed to be maintained by the retailers. Most FMCG companies have developed regional distribution and redistribution networks because of geographical spread and complex taxation system of India. Distributors have opposed FMCG companies selling directly to retailers, as it affects their operating structure.

### Challenges and Attractions for Global Retailers

#### Challenges

Ever since the introduction of FDI in India, flow of FDI in retail sector has never been free from dispute.

- The opposition of FDI in retail sector opposes the same on various grounds, like large global retailers like Wal-Mart entering the market would kill local shops and millions of jobs, as enormous percentage of Indian population are employed by unorganized sector after agriculture.
- To reduce the prices received by the suppliers, the global retailers would exercise monopolistic powers and conspire.
- While the profit margins of retail chains would go up, still the consumers and suppliers would lose because of asymmetrical growth in cities, causing social tension.
- Compared to foreign retailers who have access to international funds at lower interest rates, small Indian retailers are at a disadvantageous position, since lending rates are much higher in India.

#### Attractions

Pure retailers are starting to emerge now. Retailing is an attractive commercial business for organized sector. Indian retail industry has huge growth potential.

Organized retail industry accounts for only 9% in 2017 of total retail industry and is likely to double to 18% in 2021.

- Billion plus population is the major attraction for foreign companies. Also, retail sector in India has huge employment opportunities. India has a market for every product. As per the US Census Bureau the young population in India is likely to constitute 53% of the total population by 2021 and 46.5% of the population by 2050- much higher than countries, the first mover advantage of some players will contribute to the sector's growth.
- India presents some major attractions to the foreign companies. There are no large players in the market. Foreign direct investment into the country grew 19% to \$59.64 billion during 2020-21 on account of measures taken by the government on the fronts of policy reforms, investment facilitation and ease of doing business.

## SWOT Analysis

### Strengths:

- Increases the competition in retail chain at domestic levels.
- Farmers might get contract farming where they can supply to the retailer based upon demand and will get good cash for that, they need not look for the buyers.
- Consumers will have more options to get international brands at one place at competitive prices and will improve standard of living of the consumers.
- Large scale investments have contributed in real estate sector with major national and global players investing in developing the infrastructure and construction of retailing business.

### Weakness:

- Low capital investment in retail sector
- Lack of skilled manpower
- Inadequate infrastructure
- Heavy wastage due to non availability of sufficient warehouse and cold storage facilities.

### Opportunities:

- The inflow of FDI in retail sector will pull up the quality standards.
- The inflow of FDI in retail sector will pull up the cost – competitiveness of Indian producers.
- The technical know – how from global firms

will improve the supply chain in India.

- Unexploited Indian markets can act as an opportunity for the giants to venture into the retail market.
- Foreign Direct Inflow will enable to create a heavy and good capital base.
- There will be sustainable development and other economic issues will be focused upon.

### Threats:

- Kirana and retailers may lose business in long run
- Work will be done by Indians and the profit will go to the foreigners.
- There is a direct threat from big giants, which may compel independent stores to close, which will lead to massive job losses.
- To penetrate the market sustaining of loss by initially lowering the price.
- India does not need foreign retailers, home grown companies and traditional markets may be able to do the job.

## Conclusion

FDI in retail sector in India has paved way for a better growth oriented and development oriented markets for the Indian consumers. Through FDI the companies are able to bring new skills and expertise and adding it to their core values to increase the efficiency in various forms, which are so important for a developing country like India.

The industrial policy 1991 had paved a way of change where every sector of India would be welcomed by LPG, i.e., Liberalization, Privatization and Globalization. 51% FDI in multi- brand retailing and 100% FDI in single brand retailing is a progression towards that paved path. Indian governments have imposed several conditions for safety and social safeguard. Conditions like minimum US 4 100 million of investment, 50% investment in backend infrastructure, 30% sourcing of material from small scale industry, entry in cities with 1 million population, etc.

With retail giants venturing into India, it will improve the back end storage and procurement process. They will create infrastructure facilities, which will also drive the existing infrastructure. The elimination of intermediaries in procurement process will lead to reduction of prices.

FDI in retail sector will not only fulfill the India's

commitment to WTO's GATS agreement but will also encourage more competition and quality goods in the local markets. Consumers will also get benefit as they will have variety of products to choose from at reasonable prices. A good Foreign Direct Investment Policy can improve the Indian economic growth and development in retail sector.

### References

1. <https://www.longdom.org/articles/foreign-direct-investment-in-retail-sector.pdf>
2. <https://www.ibef.org/economy/foreign-direct-investment.aspx>
3. <https://www.longdom.org/articles/foreign-direct-investment-in-retail-sector.pdf>
4. [https://www.researchgate.net/profile/Kapil-Bansal-4/publication/282122709\\_Foreign\\_Direct\\_Investment\\_in\\_Indian\\_Retail\\_Sector\\_Pros\\_and\\_Cons/links/5603bc2608ae08d4f1717d36/Foreign-Direct-Investment-in-Indian-Retail-Sector-Pros-and-Cons.pdf](https://www.researchgate.net/profile/Kapil-Bansal-4/publication/282122709_Foreign_Direct_Investment_in_Indian_Retail_Sector_Pros_and_Cons/links/5603bc2608ae08d4f1717d36/Foreign-Direct-Investment-in-Indian-Retail-Sector-Pros-and-Cons.pdf)

# A STUDY OF BUSINESS ANALYTICS TO DECISION MAKING

Ajay Kumar \*

***Abstract:** Business analytics is the practice of combining key data about organizational performance to improve planning and performance. Business analytics makes extensive use of statistical and quantitative analysis and, to a lesser degree, qualitative analysis. Data analytics is the process of analyzing data using various approaches, some quantitative and others predictive, in order to achieve their goals and make business decisions. The importance of decision making Globalization means businesses across the world have access to similar resources, including materials, components, products and even people. The role of the management accountant is changing to provide better support for decision making and performance management. Most organizations emphasis with analytics and big-data initiatives is typically on deploying tools and implementing data-extraction processes, which usually seek to improve the quantity, quality, availability and timeliness of information.*

## Introduction

Business analytics is the practice of combining key data about organizational performance to improve planning and performance. Business analytics can be used to evaluate an organization's overall performance, or specific KPIs that are critical to a business unit, process, project or product.

According to Gartner, business analytics "includes data mining, predictive analytics, applied analytics and statistics, and is delivered as an application suitable for a business user. These analytics solutions often come with prebuilt industry content that is targeted at an industry business process (for example, claims, underwriting or a specific regulatory requirement)."

Business analytics makes extensive use of statistical and quantitative analysis and, to a lesser degree, qualitative analysis. Statistical analysis identifies trends, with the ultimate goal of employing predictive analytics to determine next moves. Quantitative analysis uses statistical and mathematical modeling, measurement and research to analyze data to determine the effects of a past decision on the

business. Quantitative analysis provides hard numbers to help determine how things can be done better in the future.

Data analytics is the process of analyzing data using various approaches, some quantitative and others predictive, in order to achieve their goals and make business decisions. Business Analytics, like Data Analytics, may utilize past data to make sense of current data, discover trends, and forecast which consequence is likely to occur and when. Finally, it may provide crucial insight into what will be the greatest conclusion for your organization — and as a consequence, it becomes an indispensable tool, particularly when it comes to making profitable judgments.

## The importance of decision making

The importance of decision making Globalization means businesses across the world have access to similar resources, including materials, components, products and even people. As businesses also use similar technologies, competition is causing business processes to converge towards similar standards. This is leaving the quality of a business's decision making

---

\* Dr Ajay Kumar, Director, Tecnia Institute of Advanced Studies Delhi

as its main means for out-performing its competitors. Digitization, meanwhile, is driving down costs and causing commoditization. Intangibles enable a business to differentiate from its competitors. They are already the main drivers of the value that a business can create. The quality of its decision making enables a business to adapt more swiftly than its competitors to the opportunities and threats presented by the digital age and the developments in its markets. It is also the key intangible that unlocks the potential to develop other intangibles within the business, such as its competitive position, its brand's reputation, the quality of its people, its intellectual capital and how well it implements its decisions.

Businesses must therefore address the risk of bias in decision making by ensuring that their decision makers do not unnecessarily exercise personal judgement based on past experience or swayed by personal motives. Instead, they should aim to be measured and rational. Decisions should be based on evidence provided by relevant information and on diligent analysis with a focus on stakeholder value.

### **The evolving role of the management accountant**

The role of the management accountant is changing to provide better support for decision making and performance management. The production of standard reports (such as end-of-month financials, variance analysis, KPIs and regulatory filings) is becoming ever more automated. At the same time, due to the competitive environment, demand is growing for management accountants to provide ongoing 'insight', not from financial data on its own but in combination with non-financial data as well, both internal and external to the business and sometimes including 'big data'.

### **Dimensional Analysis**

Business analytics aims to generate knowledge, understanding and learning – collectively referred to as 'insight' – to support evidence-based decision making and performance management. As an umbrella term for an evolution that began many years ago, it refers to the competencies, processes, technologies, applications and practices involved in achieving these objectives. However, people can be confused by the overlapping of concepts and terms with seemingly similar meanings, sometimes intentionally driven by technology vendors and others with vested interests. (See box opposite for guidance on some of the most common terms.) Decision making in businesses today is moving to the point

where accepted practice is about first understanding the numbers and what they are revealing, and then using this insight to drive intelligent business decisions. This replaces the approach where people take the action that feels right and then examine the numbers afterwards to see if it worked. Insight, therefore, should drive decision making. But insight also has a broader role to play in the landscape of organisations. The types of questions that can be addressed by analytics initiatives-

#### **WHAT happened (descriptive)?**

This question seeks information describing a situation, event or the status of an asset or product (such as location or temperature) to set out what has happened. For a law firm, for example, this might involve reporting client revenue for the last quarter. 'What' questions are usually answered in canned (or pre-defined) reports?

#### **WHY did it happen (diagnostic)?**

This aims to enable understanding of the reasons why an observed event actually took place. It might necessitate undertaking some root-cause analysis or using data to test a hypothesis. For example, if a law firm is experiencing reduced billings with a particular client, it is about understanding the reasons in order to work out how to reverse the decline (i.e., to make a decision).

#### **WHEN might it happen (predictive)?**

The task here is to understand how to predict when a future event is likely to happen. This will generally require building a model. First, the component parts will need to be identified, before determining from historical data how they all fit together. Historical data can then be used to see if the model is a good predictor of outcomes that have already been observed. For example, Rolls-Royce has collected petabytes (one thousand million bytes) of telemetry data on the performance of its aeronautic engines. It can now examine this data to predict the likelihood of certain components failing and schedule maintenance accordingly. On a smaller scale, a retailer might seek to predict the additional sales generated by particular types of promotions.

#### **HOW I can make it happen (prescriptive)?**

The main challenge in predicting events is often in creating the mechanism through which people or events might be influenced. This is usually achieved through experimentation. For example, online retailers might do A/B testing (comparing the performance of two versions of a web page) to

determine which design is most likely to convert visits to real sales. A mobile phone operator might wish to nudge customers towards using channels that cost less to service. Or a tax authority might want to find out whether a particular form of words in a tax demand more effectively influences taxpayers to pay their outstanding liabilities on time.

### Conclusion

Most organizations emphasis with analytics and big-data initiatives is typically on deploying tools and implementing data-extraction processes, which usually seek to improve the quantity, quality, availability and timeliness of information. The people side of the equation can be all but ignored, possibly apart from some training to use the new tools. There is strongly need to focus on the human dimension – how people process information, learn, create knowledge and make decisions – acknowledging that creating sense and understanding takes place in the human mind.

### References:

- C. Holsapple, A. Lee-Post, and R. Pakath, "A unified foundation for business analytics," *Decision Support Systems*, 2014.
- D. A. Marchand and J. Peppard, "Why IT Fumbles Analytics," *Harvard Business Review*, vol. 91, pp. 104-112, 2013.
- D. Barton and D. Court, "Making Advanced Analytics Work For You," *Harvard Business Review*, vol. 90, pp. 78-83, 2012.
- D. Kiron, P. K. Prentice, and R. B. Ferguson, "Innovating With Analytics. (cover story)," *MIT Sloan Management Review*, vol. 54, pp. 47-52, 2012.
- G. George, M. R. Haas, and A. Pentland, "Big data and management," *Academy of Management Journal*, vol. 57, pp. 321-326, 2014.
- H. Chen, R. H. L. Chiang, and V. C. Storey, "Business intelligence and analytics: from big data to big impact," *MIS Quarterly*, vol. 36, pp. 1165-1188, 2012.
- H. J. Watson, "Tutorial: Big Data Analytics: Concepts, Technologies, and Applications," *Communications of the Association for Information Systems*, vol. 34, pp. 1247-1268, 2014.
- J. R. Galbraith, "Organization design: an information processing view," *Interfaces*, vol. 4, pp. 28-36, 1974.
- K. Gillon, S. Aral, L. Ching-Yung, S. Mithas, and M. Zozulia, "Business Analytics: Radical Shift or Incremental Change?," *Communications of the Association for Information Systems*, vol. 34, pp. 287-296, 2014.
- K. M. Eisenhardt and M. J. Zbaracki, "Strategic Decision Making," *Strategic Management Journal*, vol. 13, pp. 17-37, 1992.
- S. Lavalle, E. Lesser, R. Shockley, M. S. Hopkins, and N. Kruschwitz, "Special Report: Analytics and the New Path to Value," *MIT Sloan Management Review*, vol. 52, pp. 22-32, 2011.
- T. H. Davenport, "Analytics 3.0," *Harvard Business Review*, vol. 91, pp. 64-72, 2013.

# A STUDY OF DATA ANALYTICS IN HR

Sweta Bakshi\*

**Abstract:** In today's competitive and dynamic landscape, HR leaders are grappling with multiple challenges – managing complex recruitment processes, fostering an engaged workplace, and tracking their success with the efforts invested, boosting employee productivity by measuring the effectiveness of their up skilling programs. HR Analytics is a discipline of data analytics that data analytics in HR refers to the superset of technologies, statistical techniques, and processes that are helping HR personnel capture data from multiple source systems, creating data models to build complex logics and then communicating the HR analytics insights in the most effective manner. Data analytics in HR have become more critical to the human resources team at Humana Inc. as the health insurance company learns more about how its employees are coping during the deadliest pandemic in 100 years. As workers continue to work from home, data used to evaluate employee productivity and engagement will become more important. HR professionals should focus on data that show differences between remote workers and onsite workers for insights that can help them with workforce planning as the coronavirus continue to impact the workforce.

## Introduction

Workforce analytics is considered a game-changer for HR, but a recent Deloitte survey found that only 8% believe that their organization is strong in people analytics whereas 75% of companies believe that using people analytics is essential. This shows the gap between the requirement and the implementation of analytics in HR.

In today's competitive and dynamic landscape, HR leaders are grappling with multiple challenges – managing complex recruitment processes, fostering an engaged workplace, and tracking their success with the efforts invested, boosting employee productivity by measuring the effectiveness of their upskilling programs.

As such, people analytics is crucial to business success and any future strategy, and the responsibility upon HR is to emerge as a strategic center of excellence within modern organizations.

HR analytics tools can provide evidence-based insight into fundamental questions in areas related

to making better hiring decisions, reducing employee attrition and increasing employee engagement among others.

The critical challenge before enterprises is how to build the desired capability in people analytics.

Data analytics refers to the superset of technologies, statistical techniques, and processes that are helping HR personnel capture data from multiple source systems, creating data models to build complex logics, and then communicating the HR analytics insights in the most effective manner, helping the HR make better decisions, leading to improved returns on investments into people.

## HR Analytics - Where Do HR Intersect With Analytics

HR Analytics is a discipline of data analytics that data analytics in HR refers to the superset of technologies, statistical techniques, and processes that are helping HR personnel capture data from multiple source systems, creating data models to build complex logics and then communicating the

---

\* Sweta Bakshi, Assistant Professor, ITS Mohan Nagar Ghaziabad



HR analytics insights in the most effective manner. A recent survey by LinkedIn shows that there has been a massive 242% increase in the requirement of data analysis skills from HR professionals. Deals with people analysis to help the HR make better decisions, leading to improved employee retention and employee performance for better returns on investment of people.

HR Analytics dashboard can provide crucial insights to improve the existing HR processes:

- What is the headcount status trend for the quarter/ year across the locations?
- How much does it cost the company to hire new employees?
- What is the attrition trend vs time since last promotion for employees?
- What are the employee demographics drivers to high performance? (qualification/belonging to a particular location/ having worked with a specific company)
- How many and what % high performing employees leave the organization within a given period?
- How is team performance correlated with diversity in the leadership team?
- What is the Impact on performance through capability development?
- Does higher individual pay result in higher individual performance?

### Data Analytics In HR: Challenges

The data often exists in multiple silos within different applications & systems. Hence, the primary challenge is how to integrate the data from these places and ensure the threshold levels of data sanctity, integrity and cleanliness.

Errors in data will directly affect the quality of insights derived from the analytics model. Hence it is very crucial to carry out this step with due diligence so that the users can trust the quality of HR metrics delivered by the model.

Otherwise, the proverbial “garbage in, garbage out”, will create a negative perception among the stakeholders about the effectiveness of analytics, limiting its ability to expand.

People analytics insights need to be communicated via the most effective channels, in real-time if possible, using data visualization best practices and engaging reports, delivering a 360-degree view of the function – to create the desired impact on decision-making.

It calls for the need for the right data management solution with a powerful engine that can create robust data models, and ensure fast query performance to deliver real-time reporting.

### HR Analytics Objectives

#### Making The Right Hires

To predict who is likely to be a good fit. Extract key data points from the existing employee data – such as candidate demographics data, previous employment history, (identify additional data points) to build accurate and reliable prediction models. Use this model on the candidates’ CV repository to score candidates on the basis of how likely they are going to be a good fit for the organization.

#### Fostering A Highly Engaged Workforce

By measuring key data points from employee surveys, gamification, employee events, and activities participation, suggestion boxes to give a measure for “happiness quotient” that will help the organization identify what areas it needs to invest more, to promote higher employee engagement and affinity.

#### Retaining High-Value Employees At The Risk Of Churn

The cost to replace an employee could be over 200% of their annual salary, according to AmericanProgress.org. Data scientists can train the machine learning model on existing candidate databases, highly accurate and reliable machine learning models can be deployed to identify and alert high-value employees who are at a high risk of churn. Utilizing associative rule mining algorithms to identify clusters, i.e. employees who match the profile of past churns. Understand churn by gender, CTC, age, hiring cohort.

#### Increasing Productivity

By building useful models to predict the gaps in productivity, analyze the reasons such as expanding capabilities, workforce churn, lack of training, etc. and utilize the power of prescriptive analytics to help HR managers hold the levers and proactively address the future staffing needs and answer the following key questions.

- Who is likely to outperform?
- Where are the investments/ training required?
- Who are the future leaders?
- What type of mentorship program will be suited to each segment?

**Amway used analytics** to identify the right-fit candidates from internal job postings. Amway was

able to hire a candidate who was two levels below in the organizational hierarchy for the desired position. His behavioral and performance indicators showed him a perfect fit, so he was promoted.

### **But, First Companies Need to lay the Groundwork to derive HR Analytics Benefits**

To ensure that analytics is consumed as desired, it should not be treated merely as an investment in technology. It may, at many times, require a large-scale and fundamental shift in the organization's paradigm and culture. The design needs to incorporate best practices. The solution engineers need first to understand what kind of insights are required by the HR leaders – every organization is different. The objective of analytics will fail if it does not address the questions that they are looking for answers to.

They need to assess what technology will be a good fit – by understanding how technically savvy users are, and on what platforms are the insights going to be consumed. You can consider embedding the reports ( [give hyperlink](#)) and dashboards directly into the user portals to bring analytics right into the user's fingertips. With the desired levels of increased speed and agility for decision making is crucial, organizations also need to ensure strong governance to control access to cross-functional data assets. It will help to address the risks and ensure the responsible adoption of this technology.

Business dynamics are changing rapidly. Proactive decision-making, facilitated by analytics is the need of the hour. Otherwise, organizations risk being left behind. You need to be on top of the trends in analytics in order to emerge on top of things. To understand how the disruptions are going to affect your business and how your competitors are leveraging them for driving success.

### **Reasons for the growth in the use of data analytics in HR**

The main reasons for the growth in the use of data analytics in HR include:

- A need to plan for the workforce of the future According to the PricewaterhouseCoopers (PwC) CEO survey, 77% of CEOs believe the biggest threat to their business is the lack of availability of key skills.<sup>4</sup> Listed among the key skills that are essential to the workplace of the future are, in addition to technical business expertise, adaptability, problem-solving, creativity, and leadership. Trying to recruit very specific people with such hard-to-define skills is an issue that many CEOs

face. They're therefore increasingly turning to insights, with 50% of CEOs saying they're using data analytics to find and keep the right people. In addition, HR data analytics can help answer many of the critical concerns CEOs and CHROs must grapple with, including workforce diversity, geolocation decisions, hiring strategy, competitive benchmarking, workforce planning, and employer branding.

- The growth in HR technology and innovation over the last five years, the adoption of technology has moved from static HR management solutions to more dynamic, real-time cloud-and mobile-based tools and platforms. In fact, Sierra-Cedar research shows that 45% of large companies and 51% of mid-sized companies are increasing their spending on HR technology.<sup>5</sup> Organisations are increasingly seeing that having access to predictive talent models means that they can more effectively and efficiently find, recruit, and retain the right people. It can also help them identify current pain points in the organisation and discern where to distribute future investments.
- An increasingly competitive landscape Organisations are vying for the best of a limited talent pool. This challenge is best addressed by using workforce analytics and planning, including identifying the future needs of the organisation in terms of size, structure, and the type of talent that will be needed. Using analytics, recruiters build a strong pipeline of suitable candidates, helping organisations to remain competitive in the future. For businesses, predicting where they might be in 10 to 15 years is becoming an irreplaceable tool for managing teams effectively, maximising profits, and ensuring long-term success.

Data analytics in HR have become more critical to the human resources team at Humana Inc. as the health insurance company learns more about how its employees are coping during the deadliest pandemic in 100 years.

### **Understand Employees Better**

The COVID-19 pandemic has raised awareness of the need for data analytics capabilities at Humana, headquartered in Louisville, Ky. Leaders have used several strategies to find out more about what their workers' needs are at a time when more than 90 percent of Humana's workforce of approximately 46,000 currently works from home.

They've used measures such as:

- Creating open-ended survey questions and continually sampling employees.
- Leveraging behavioral data like meeting hours, e-mail and network collaboration.
- Running natural language processing and machine learning algorithms on internal social media platforms.
- Collecting and merging facility utilization, safety and security, IT (network/system) data, and risk and compliance data into their existing HR data warehouse.

Humana also used data analytics to boost employees' confidence in returning to the company's facilities. By using safety and security data, facility data, and listening assessments, the company analyzed employee readiness and gained a better understanding of why staff might or might not be confident in returning to the office.

Humana also captured new data that illuminate "ways of working" by studying patterns in meeting hours, focus time, after-hours work, networking and e-mail/IM usage.

The company's data analytics showed employees tend to work longer days, may not be proficient in leading virtual teams, and are meeting more often and with larger groups.

### Store New and Existing Data

Over the last six months, data analytics has become a more demanding process. The Christman company have given greater focus on tracking employees who meet the requirements of the employee retention credit (ERC), which is a refundable tax credit for certain employees and is part of the Coronavirus Aid, Relief and Economic Security Act. In COVID-19 situation HR Department have started tracking what requirements employees met for them to apply for the ERC. It had to add an additional layer of data monitoring and analysis to our system to do this. To keep its business profitable, Christman analyzed datasets including financial information, project management, employee hours of work on a site, what phases of a construction process are being charged—such as planning, preconstruction, construction or closeout—and whether workers are to be paid minimum-wage rates or union contract wages. The ability of the Christman team to quickly and accurately analyze various financial metrics in real time is critical to ensuring successful projects for both Christman and their customers..

### Plan for the Future:

As companies in many sectors face the burden of

managing more employee data and are gaining new insights about employees during the pandemic, HR managers will have to find the best way to manage data to get actionable insights on their workers' performance.

Employers should develop a plan that systematically stores new data with existing data, even if the process is manual at first. Companies should also identify data subject matter experts as new data is identified or needed and bring them into the matrixed team.

### Conclusions

As workers continue to work from home, data used to evaluate employee productivity and engagement will become more important. HR professionals should focus on data that show differences between remote workers and onsite workers for insights that can help them with workforce planning as the coronavirus continue to impact the workforce. Data can help HR managers answer questions such as: How do you know which workers are available? How will you know who to bring back into the office? If an employee tests positive, will he or she be able to work? If you have system that can help you with workforce analytics and if you have not been using it to its maximum effectiveness, now is the time to do so. HR analytics equips HR leaders with the necessary data to improve HR functions and the employee experience. With the continuous influx of tech innovations challenging the workplace, managing employees intelligently and supporting them through the demanding employee lifecycle is essential. Enhancing HR strategies through HR analytics can promote job satisfaction and lead to a healthy company culture comprised of engaged individuals. Measuring HR analytics and turning that data into strategy can help an organization save money, free up time for other tasks, and create a happier company culture. Whether you currently work in the field of human resources and wish to advance, or you're just starting, embracing HR analytics and becoming more data-driven in your approach can help.

HR professionals who are successfully adopting analytics are using data and insights to make a business case, highlight gaps, and have strategic conversations with senior leadership. Thus, access to analytics makes HR professionals more efficient in their jobs and provides them with the tools to elevate their position in the organisation. The vision should be to make analytics available in a digestible format that is simple to access, so the general HR practitioner can easily reference and use it. Many organisations

already provide – or plan to provide – a majority of HR data to HR business partners. By sharing data, the analytics and respective insights won't be wasted by sitting in a siloed, specialised team, and will instead be available for the entire HR function.

### References:

- Arellano, C., DiLeonardo, A. and Felix, I. (2017), "Using people analytics to drive business performance: A case study", Edited by Laszlo Bock, *Work Rules!: Insights from Inside Google That Will Transform How You Live and Lead*, New York, NY: Hachette Book Group.
- Björkman, F. and Franco, S. (2017), "How big data analytics affect decision-making: A study of the newspaper industry", Master's Thesis, Department of Business Studies, Uppsala University.
- Carlson, K.D. and Kavanagh, M.J. (2018), "HR Metrics and Workforce Analytics", *Advanced HRIS Applications and Future Trends*, Sage Publications.
- Etukudo, R.U. (2019), "Strategies for Using Analytics to Improve Human Resource Management", Walden Dissertations and Doctoral Studies, College of Management and Technology, Walden University.
- Kavale, S. (2012), "The Role of Data in Strategic Decision Making Process", *International Journal of Current Research*, 4(4), 1-7.
- Mondore, S., Douthitt, S. and Carson, M. (2011), "Maximizing the Impact and Effectiveness of HR Analytics to Drive Business Outcomes", *People and Strategy*, 34(2), 20-27.
- Opatha, H.H.D.N.P. (2009), *Human Resource Management: personnel*. Sri Lanka: Department of Human Resource Management, University of Sri Jayewardenepura.
- Opatha, H.H.D.P.J. (2020), "HR Analytics: A Literature Review and New Conceptual Model", *International Journal of Scientific and Research Publications*, 10(6), 130-141.
- Rihai, Y. and Rihai, S. (2018), "Big Data and Big Data Analytics: Concepts, Types and Technologies", *International Journal of Research and Engineering*, 5(9), 524-528.
- Shah, S., Horne, A. and Capellá, J. (2012) "Good Data Won't Guarantee Good Decisions", *Decision Making*, *Harvard Business Review*, Available at: <https://hbr.org/2012/04/good-data-wont-guarantee-good-decisions>. Viewed on 25/05/2021 at 13.05 pm.
- Sharma, A. and Sharma, T. (2017), "HR analytics and performance appraisal system: a conceptual framework for employee performance improvement", *Management Research Review*, 40(6), 1-31.
- Singh, P., Upadhyay, R.K., and Srivastava, M. (2017), "The Role of HR Analytics in Higher Education Institution", *International Journal of Engineering Sciences & Research Technology*, 6(7), 92-100.
- Tomar, S. and Gaur, M. (2020), "HR analytics in Business: Role, Opportunities, and Challenges of Using It", *Journal of Xi'an University of Architecture & Technology*, 12(7), 1299-1306.
- Vadakkanmarveetil, J. (2014), "Can HR Analytics Really Improve a Company's Performance?", *Jigsaw Academy*, Available at: <https://www.jigsawacademy.com/can-hr-analytics-really-improve-a-companys-performance/>, Viewed on 25/05/2021 at 13.05 pm.
- Sierra-Cedar (2016). *HR Systems Survey, 19th Annual Edition*. White Paper.
- Snell, A. (2011). Developing talent intelligence to boost business performance. *Strategic HR Review*, 10 (2), 12-17.
- Soundararajan, R. & Singh, K. (2017). *Winning on HR analytics*. Sage publications: India Pvt. Ltd.
- Souza, G. C. (2014). Supply chain analytics. *Business Horizons*, 57 (5), 595-605.
- Sullivan, J. (2013). How google is using People analytics to completely reinvent HR. Retrieved from <https://www.tlnt.com/how-google-is-using-people-analytics-to-completely-reinvent-hr/>
- Terre Blanche, M., Durrheim, K. & Painter, D. (2006). *Research in practice: Applied Methods for the social sciences* (2nd Ed.). Cape Town: UCT Press.
- Ulrich, D. & Dulebohn, J. (2015). Are we there yet? What's next for HR? *Human Resource Management Review*, 25, 188-204.
- Ward, M. J., Marsolo, K. A., & Froehle, C. M. (2014). Applications of Business analytics In healthcare. *Business Horizons*, 57 (5), 571-582
- Waxer, C. (2013). *An Introduction to Human Resource Analytics*. Data Informed: Wellesley Information Services, Toronto-Canada.
- Yin, R. K. (2011). *Qualitative research from start to finish*. New York, Guilford Press.

# A STUDY OF RED OCEAN STRATEGY

Sandeep Kumar \*

***Abstract:** Competitive advantage is need of every organization in today's business environment especially when competition is very tough. This enforces organizations to make strategies to be more innovative for survival and progress. In today's fast paced word of knowledge, strategies for business are characterized in Red oceans of competition and Blue oceans of uncontested markets. This paper exclusively tries to look into porter's red ocean business strategy though generally there are different Red Ocean strategies of competitive market, these strategies are Porter's competitive forces strategy.*

## Introduction

A red ocean strategy involves competing in industries that are currently in existence. This often requires overcoming an intense level of competition and can often involve the commoditization of the industry where companies are competing mainly on price. For this strategy, the key goals are to beat the competition and exploit existing demand.

Red ocean strategy developed by Prof. Michel Porter supports to compete in existing market space, beat the competition, exploit existing demand, make the value/cost trade-off, align the whole system of a company's activities with its strategic choice of differentiation or low cost.

One industry in which a red ocean strategy would be necessary is the soft drink industry. This industry has been in existence for a long time, and there are many barriers to entry. There are industry leaders in place such as Coke and Pepsi, and there are also many smaller companies also in competition for market share. There's also limited shelf space and vending spots, well-established brand recognition of popular, current brands, and many other factors that affect new competition. This causes the soft drink industry to be very competitive to enter and succeed in.

## Literature Review

Michael Porter defines strategy as competitive market

position, "deliberately choosing a different set of activities to deliver a unique mix of value." Business firms need to know their competitors value offerings so that they could avoid head on competition by reacting in a different value preposition to win in their own context instead of simply benchmarking the competition.

Business strategy gives a company to place the firm's direction in a unique positioning so that the company wins the competition in its own way focusing on the customers' product and service value which the company offers based on the firm's internal capability and capitalizing on the external market environment opportunities.

The Red Ocean strategy is the common one for most firms. As the competition is fierce it could be challenging for most of the companies to grow and expand their market share. A typical example of saturated market space, and competitive industry is the airlines industry. European low-cost carrier Ryanair is competing very successfully in the already saturated Red ocean airline industry. The company pursues low cost Business, by employing methods such as using secondary airports, avoiding expensive busy main airports, online booking, online check-in, and charging extra fee for almost every extra service, like in cabin entertainment, refresher and carrying checked in bags (Ryanair 2019).

Nitin Zaware (2016) lists the key differentiating

---

\* Dr Sandeep Kumar, Professor in Management, Tecnia Institute of Advanced Studies Delhi

characteristics of Blue Ocean Strategies. These are: Non existing industries, undefined market space, undefined industry boundaries, Unknown competitive rules, High profit & growth opportunity, Value innovation, Innovation & creativity, create a market, develop future demand, creating future customers.

Likewise, Nitin Zaware (2016) lists the key differentiating characteristics of Red Ocean Strategies. These are: Focus on existing customers, existing industries, defined market space customers, defined industry boundaries, known competitive rules, Low profit growth opportunity, competitive advantage, Low cost or differentiation, Beat the competition, exploit existing demand.

**RED OCEAN VS BLUE OCEAN STRATEGY**

With reference to the Harvard review of Kim & Mauborgnered ocean strategy is referred to the industries which are in existence today with a known market space. In this situation the competitors try to snatch the market share from others in order to converse on the prices. The differences of the competitor companies are highlighted while comparing the strategies with each other. In here the chances of winning usually decreases. The perspective of Kim & Mauborgne explained that the industries in the stance of red ocean strategies

outperform and intends to grab.

Chan Kim & Renée Mauborgne coined the terms red and blue oceans to denote the market universe. Red oceans are all the industries in existence today – the known market space, where industry boundaries are defined and companies try to outperform their rivals to grab a greater share of the existing market. Cutthroat competition turns the ocean bloody red. Hence, the term ‘red’ oceans.

Blue oceans denote all the industries not in existence today – the unknown market space, unexplored and untainted by competition. Like the ‘blue’ ocean, it is vast, deep and powerful –in terms of opportunity and profitable growth.

The chart given below summarizes the distinct characteristics of competing in red oceans (Red Ocean Strategy) versus creating a blue ocean (Blue Ocean Strategy).

RED OCEAN STRATEGY	BLUE OCEAN STRATEGY
Compete in existing market space	Create uncontested market space
Beat the competition	Make the competition irrelevant
Exploit existing demand	Create and capture new demand

**Differences between Red & Blue Ocean**

Basis	Red Ocean	Blue ocean
Industries	Red oceans represent the fiercely competitive arena where most companies compete	Blue Oceans, denote all the industries not in existence today, the unknown market space, untainted by competition
Competition	This strategy focuses on the competition within the existing market space	This strategy focuses on creation of uncontested market space
Demand	In red ocean strategy higher focus is given to exploit existing demand	In Blue ocean strategy higher focus is given to creating future demand
Goal	Goal of this strategy plan is to make value-cost trade off	Goal of this strategy plan is to break value-cost trade off
Alignment of system	Align the whole system of a firm’s activities with its strategic choice of differentiation or low cost	Align the whole system of a firm’s activities in pursuit of differentiation or low cost
Profit opportunity	Profit opportunity of using red ocean strategy is low	Profit opportunity of using blue ocean strategy is high
Customer focus	Red ocean strategy focuses on existing stream of customers	Blue ocean strategy focuses on creation of customers
System approach	In Red ocean strategy system approach is towards low cost and	In blue ocean strategy system approach is towards creativity and innovation

Make the value-cost trade-off	Break the value-cost trade-off
Align the whole system of a firm's activities with its strategic choice of differentiation or low cost	Align the whole system of a firm's activities in pursuit of differentiation and low cost

### Red Ocean Strategy Definition

Using the oceans as an analogy, professors of strategy at INSEAD, Renée Mauborgne and W. Chan Kim devised the Red and Blue Ocean Strategy in their book 'Blue Ocean Strategy'. According to the professors, the red oceans represent all the industries which exist today. This is the known and familiar market space wherein companies belonging to the same industry attempt to outperform each other and grab a larger share of the market. With cutthroat competition being the fundamental feature of this industry, the ocean turns bloody and red, thus giving birth to the term Red Ocean Strategy.

### Comparing blue and red ocean strategies

From establishing a brand to acquiring customers and then retaining them, there are several challenges that businesses have to go through. As such, they have one of the two choices – to innovate and survive or be phased out and eventually die. This is why more and more new companies are devising strategies that can either help them acquire a significant market share. This can be done by growing aggressively in an already established market space with a reliable proof of concept or creating a new, untapped market.

### Blue Ocean Strategy Definition

Unlike the bloodied, red oceans, blue oceans represent the industries and companies that are not yet in existence. It denotes the untapped market potential. This is an unexplored market space which is not yet tainted since the competition does not exist. Like the beautiful blue ocean, this space is deep, vast and powerful when it comes to opportunities and profitable growth.

### Comparing Red and Blue Ocean Strategy

Now that we have explained the Blue and Red Ocean Strategy meaning let us examine the two strategies. There are several aspects we should consider while making comparisons. They are as under:

#### The focus perspective

Red Ocean companies typically tend to focus on

their current customers. They attempt to improve the customer experience and retain their existing customers who are already loyal to them. Blue Ocean companies, on the other hand, focus on increasing the size of the industry. They attempt to create a new niche and attract customers who have never made any purchases in that particular industry.

#### The competition perspective

With regards to Red Ocean companies, since the concept is already proven, other companies attempt to cash in on the proven concept and enter the field, creating new competition. As such, the competition already exists with other companies replicating the same tried-and-tested formulas. For the Blue Ocean companies, there is no competition since they are entering an uncontested market. If someone wins a customer in the new uncontested market, someone in the already existing red market may lose a customer. Thus, for one company to succeed, another has to lose. Players in the uncontested markets usually emerge as winners in the long run.

#### The relevance perspective

Companies following the Red Ocean Strategy already have to face a lot of competition since many companies offer the same things as they do. Thus, they need to beat the competition to remain relevant at all times. Conversely, Blue Ocean companies tend to make the competition irrelevant since there is no scope for duplicating an inexistent idea. This aspect gives an edge to innovative companies, often leading to them becoming commercially successful.

#### The demand perspective

Red Ocean companies tend to exploit the existing demand. They attempt to offer a better shopping experience to attract customers and encourage them to select their company over their competition. This is just as much space that red ocean companies can get. On the other hand, Blue Ocean companies attempt to create new demand and capture the market. They emphasise on creating high value to attract customers who had not previously considered entering the market.

### Examples of red and blue ocean strategy companies

Red Ocean companies like Indigo and Spice Jet in India, Ryan Air in Europe and Southwest in the USA successfully penetrated in an already saturated ocean of short-haul airlines business. These are no-frills, low-cost airlines which have acquired customers but

are always in direct competition with one another. Blue Ocean companies such as Ford Motor Co, Uber, Apple Inc. iTunes, and Cirque de Soleil have offered a completely new, innovative experience to customers. These companies created a new market that did not exist previously but were able to capture the collective customer imagination.

### Fundamental differences between red ocean strategy and blue ocean strategy

To sustain themselves in the marketplace, red ocean strategists focus on building advantages over the competition, usually by assessing what competitors do and striving to do it better. Here, grabbing a bigger share of a finite market is seen as a zero-sum game in which one company's gain is achieved at another company's loss. They focus on dividing up the red ocean, where growth is increasingly limited. Such strategic thinking leads firms to divide industries into attractive and unattractive ones and to decide accordingly whether or not to enter.

Blue ocean strategists recognize that market boundaries exist only in managers' minds, and they do not let existing market structures limit their thinking. To them, extra demand is out there, largely untapped. The crux of the problem is how to create it. This, in turn, requires a shift of attention from supply to demand, from a focus on competing to a focus on creating innovative value to unlock new demand. This is achieved via the simultaneous pursuit of differentiation and low cost.

Under blue ocean strategy, there is scarcely an attractive or unattractive industry per se because the level of industry attractiveness can be altered through companies' conscientious efforts. As market structure is changed by breaking the value-cost trade-off, so are the rules of the game. Competition in the old game is therefore rendered irrelevant. By expanding the demand side of the economy new wealth is created. Such a strategy, therefore, allows firms to largely play a non-zero-sum game, with high pay-off possibilities.

### Red Ocean Strategy: How to Overcome Competition

Red Ocean Strategy is linked to Business Situations or circumstances. There are two major strategies i.e. Red ocean and Blue Ocean, to respond to the Business Environment. These strategies will be opted by the firms either for their survival or for growth in the market place/space(on the internet). As the name suggests Red Ocean means Blood-bath where too many competitors are fighting for profit. Let's

first discuss Red Ocean Strategy with an example;

Red Ocean Strategy: This strategy will be applicable where the following market conditions are present and marketer will act accordingly;

- **A huge number of competitors present in the market** Eg. in India, Mobile market is very saturated. There are lots of mobile companies like Samsung, Apple, Oppo, Redmi-MI, Nokia, Huawei, Honor, Vivo, SONY and many more who are competing with each other.
- **Market and Market Situation will remain the same for every competitor.** Every marketer will do business in the same market situation. Only those will survive(earn a profit) who will bring new product, service or idea in the market Eg. in India, JIO telecom brought affordable tariff plans, fast internet and calling connectivity, etc. which affected the market share and profit of other companies like Airtel, Vodafone, and IDEA.
- **Value/cost trade-off is the best method to survive in Red-Ocean (market).** Firms have to create more value in the product but at a lesser cost. Either they can create more value in the existing product (like New Dish TV set up box now can record the HD live programs in Pendrive so that it can be watched later) or can create a completely new product (like Apple iPhone has introduced face recognition feature to open the phone so that it will be personalized and safe forever).
- **Focus on Exploiting Existing Demand.** Whatever the demand is present in the market try to capture maximum out of that. Eg. Samsung Mobiles are catering to every user's demand whether High-End Customer Group ( for them S8, S10, A50 Mobiles) or Low-End Customer Group (for them M20, Galaxy brand Mobiles).
- **Focus more on Execution and marketing.** Marketers now thinking out of the box marketing techniques to advertise the existing product and service. They are adding more features in the current product to enhance the performance of the product. Eg. Hyundai is adding new features and designs in its brand named i10 and Santro. And advertising more on Social Media and Search Engines.

### Conclusions

Business strategy is one of the most important management tools. Business strategy gives



companies the 'radar' to navigate the market environment 'sea' peacefully damping the effect of the 'sea wave' so that the company would be strategically and uniquely placed to serve its customers and accomplish its own goal of establishment.

Business Strategy sets the business direction on the right track, and a tool which enables to cruise the 'business ship' against the tide in ocean with less risk of sharks and fierce competition for existence. Nevertheless, the current reality of business environment dictates that business competition in one form, or another would exist. Thus, businesses need to analyze the internal and external market where they operate and formulate their business strategy as the situation dictates.

The red ocean strategy market is well established, and the market suppliers know what products and services the customers want. The unfortunate thing about this well-established market could be the existence of market leaders who will be very difficult to beat. Likewise, the blue ocean strategy could enable generating high profit margin in a new market by innovating new brand product and services. The shortcoming with this kind of business strategy could be the unforeseen risks of new market, and the eventual change of blue ocean strategy to red ocean strategy.

## References

- Abraham, S. (2006). Blue oceans, temporary monopolies, and lessons from practice.
- Bagheri, R., Eslami, S. P., Yarjanli, M., & Ghafoorifard, N. (2013). Factors Affecting the Implementation of the Blue Ocean Strategy A Case Study of Medicom Production Manufacturing Company. *Australian Journal of Basic and Applied Sciences*, 7(4), 213-222.
- Chan, K. W., & Renee, M. (2011). Blue ocean strategy. Chan, W., & Mauborgne, R. (2005). *Blue ocean strategy: how to create uncontested market space and make competition irrelevant*. Harvard Business Press.
- Darwin, C. (2013). Comparing Flowing Stream Strategy and Blue Ocean Strategy. Hsiao, Y. C. (2005). *Creative Solutions from TRIZ for the Business Contradiction in Red Ocean Strategy*. The TRIZ Journal.
- K. C. P., & Ang, S. L. (2012). Blue Ocean Strategy (BOS) and Corporate Social Responsibility (CSR). *Encyclopaedia of Corporate Social Responsibility*, DOI, 10, 978-3.
- Neilson, G. L., Martin, K. L., & Powers, E. (2008). The secrets to successful strategy execution. *Harvard business review*, 86(6), 60.
- Niciejewska, K., & Dimitrov, D. (2009). Blue Ocean Strategy. GRIN Verlag. Strategy, B. O. (2005). *Review. California Management Review*, 47(3).
- Ning H. How to maintain sustainable competitive advantages—case study on the evolution of organizational strategic management. *International Journal of Business Administration*. 2012;3(5):45.
- Ning H. How to maintain sustainable competitive advantages—case study on the evolution of organizational strategic management. *International Journal of Business Administration*. 2012;3(5):45
- Nitin Zaware (2016), Blue and Red ocean strategy, SlideShare.
- Porter Michael E. *Competitive strategy: techniques for analyzing industries and competitors*. New York: Free Press; 1980.
- Prahalad CK, Hamel G. The core competence of the corporation. *Harvard Business Review*. 1990;68(3):79-91.
- Strategy & Leadership, 34(5), 52-57.
- Teece David, Pisano Gary, Shuen Amy. paper dynamic capabilities and strategic management. *Strategic Management Journal*. 1997;18(7):509-533.
- Wu, W. T. (2013). An Application of the Brand Value by the Blue Ocean Strategy Concept-A Case Study of FPG International Co., Ltd.
- Yang, J. T. (2012). Identifying the attributes of blue ocean strategies in hospitality. *International Journal of Contemporary Hospitality Management*, 24(5), 701-720.

## TECNIA JOURNAL OF MANAGEMENT STUDIES

### Policies, Ethics and Guidelines

**T**ecnia Journal of Management Studies is a bi-annual, double blind peer-reviewed Journal published by Tecnia Institute of Advanced Studies. The journal focuses on publishing scholarly articles from the area of management sciences.

TJMS provides a platform to the Academicians, Research Scholars, Corporate Executives and Management Students to sharpen their knowledge in their respective areas of specialization in Management Studies. Through peer-review process, the professional development of scholars, practitioners, and doctoral students are enhanced.

TJMS seeks original manuscripts that identify, extend, unify, test or apply scientific and multi-disciplinary knowledge concerning management field.

The following types of papers are considered for publication :

- Original research works in the field of management.
- Surveys, opinions, abstracts and essays related to the research based Management issues.
- Few Book review papers may also be considered for publication, if the author has done considerable professional work in that area.
- Case studies related to management domain.

More specifically, TJMS publishes papers that :

- Address the interface between theoretical insight and practical application.
- Enhance the teaching of management, especially through the use of experiential pedagogies.
- Represent the early stages of theorizing about management and organizing in unique and perceptive ways.
- Serve as a resource for our readers' professional development.

#### **Policies and ethics**

##### **Policies for authors**

The publication of an article in a peer-reviewed journal is an important building block in the development of a coherent and respected network of knowledge. It is a direct reflection of the quality of work of the author and the institutions that support them. Peer-reviewed articles support and embody the scientific method. It is therefore important to agree upon standards of projected ethical behavior.

Following is the Information for authors about how to publish ethically :-

Ethics topics to consider when publishing:

- Authorship of the paper: Authorship should be limited to those who have made a significant contribution to the conception, design, execution, or interpretation of the reported study.
- Originality and plagiarism: The authors should ensure that they have written entirely original works, and if the authors have used the work and/or words of others that this has been appropriately cited or quoted.
- Data access and retention: Authors may be asked to provide the raw data in connection with a paper for editorial review, and should be prepared to provide public access to such data.
- Multiple, redundant or concurrent publication: An author should not in general publish manuscripts describing essentially the same research in more than one journal or primary publication. TJMS does not view the following uses of a work as prior publication: publication in the form of an abstract; publication as an academic thesis; publication as an electronic preprint.
- Acknowledgement of sources : Proper acknowledgment.
- Disclosure and conflicts of interest: All submissions must include disclosure of all relationships that could be viewed as presenting a potential conflict of interest.
- Fundamental errors in published works: When an author discovers a significant error or inaccuracy in his/her own published work, it is the author's obligation to promptly notify the journal editor or publisher and cooperate with the editor to retract or correct the paper.
- Reporting standards: Authors of reports of original research should present an accurate account of the work performed as well as an objective discussion of its significance.
- Hazards and human or animal subjects: Statements of compliance are required if the work involves chemicals, procedures or equipment that have any unusual hazards inherent in their use, or if it involves the use of animal or human subjects.
- Use of patient images or case details: Studies on patients or volunteers require ethics committee

approval and informed consent, which should be documented in the paper.

### Research Paper Submission ...

All manuscripts must be submitted by email to the editor at journals@tecnia.in. The attached file should be named according to the title of your article and mention the journal name while submitting for review.

Before submitting your manuscripts please make sure that you have gone through the Guidelines for Author section. Also ensure that your article confirms to the terms and conditions specified. After receiving your research article, we will send the acknowledgement email with a manuscript number within 1-2 days. And for any future correspondence with us, please mention your manuscript number.

### Review Process ...

The objective of review process is to ensure that high quality and original scientific studies are published. The research paper/articles submitted by the authors' undergo following processes before publication.

- After receiving the manuscript, a n acknowledgement is sent to the author. All manuscripts submitted for publication are initially viewed by minimum two members of the editorial board. The author(s) are fully responsible for the originality of the articles contributed.
- After initial screening process, the manuscripts are sent to two referees for double blind review. The referees are chosen according to their expertise in the field. They evaluate the manuscript based on the reviewers guideline and recommend for publication/ rejection. For articles that are not accepted for publication, authors are informed accordingly.
- After favorable opinion from referees, the editorial board will take the final decision for publication of the article in particular volume of the journal, dependent upon the pendency in hand. At this stage, an acceptance letter is sent to the author, confirming the tentative time frame for the publication of the article. Along with the confirmation, a performa on "confirmation of the originality and exclusiveness of the submission" is sent to the author. This performa duly filled in and signed by the author is to be sent back to the institute within one week of its receipt.
- An effort is made to complete the above listed review process within time span of three months of the receipt of the article, subject to absolute adherence to the Institute guidelines and completeness in all respects.

**Conditions apply :** The editorial board of the journal reserves the right to make suitable amendments in the final draft of the articles to suit the journal's standard and other requirements.

### Guidelines for Authors ...

Authors can submit the manuscript provided it contains original work and not published either in any print or online journal or book. Also it must not be under consideration for publication elsewhere. Authors are expected to meet the following guidelines :

**Copyright :** The copyright for articles published in journal are retained by the authors with first publications right granted to the journal. The journal or editors are not responsible for any successive use of the author(s) work. It is the author's responsibility to take any infringement action, if so desired by the author.

**General Instructions :** The manuscripts should be error free to the maximum extent possible. Along with the manuscript, author(s) should provide declaration that the article is the original work of the author(s) and that it has not been published or submitted for publication anywhere else. Authors are requested to submit the manuscript (hardcopy) along with a softcopy (CD-ROM) using MS Word processing package. The soft copy of the manuscript may also be sent through e-mail\* with attachment. The selection of papers for publication will be based on their originality, relevance and clarity, the extent to which they advance knowledge, understanding and application and their likely contribution towards inspiring further research and development.

The articles will be sent to the evaluation board for approval and only the selected articles will be published. Authors may be asked to revise and resubmit the manuscript based on the referees' comments. Unaccepted papers will not be sent back. Copyright of all accepted papers will vest with the journal.

**Guidelines :** The copyright for articles published in journal are retained by the authors with first publications right granted to the journal. The journal or editors are not responsible for any successive use of the author(s) work. It is the author's responsibility to take any infringement action, if so desired by the author.

Based on American Psychological Association (APA) Style Manual :

1. Manuscripts must be typed on one side of the page in 12-point font on A-4 size paper in doublespace, with the margins of 1.5 inches on all sides to facilitate editing and styling. All text, including abstract, quotations, notes and references should be typed in double-space.
2. The page number must be on all pages of the paper, including the title page. Use Arabic numerals and position the page number one inch from the right hand edge of the paper, in the space between the top edge of the paper and the first line of text.
3. The title of the paper must be typed in upper and lower case letters, and is centered between the left

and right margins and positioned in the upper half of the page. If the title is two or more lines in length, double-space between the lines.

4. The manuscript must include a reference list at the end, which list the articles, books, etc. cite in the paper. The reference list must be double-spaced, and in alphabetical order.
5. The manuscript should be sent along with a cover page containing article title, author's name, designation, official address, contact address, phones, fax numbers, and e-mail address. Details of the author's name and other information should not appear elsewhere in the manuscript.
6. The cover letter should indicate the title, the names, addresses, phone, fax numbers and e-mail addresses of two or three relevant reviewers for your paper. These may or may not be considered by the Editorial Advisory Board.
7. Manuscripts should be in English language (British version) only. There should not be any grammatical and sentence composition errors. Articles should not ordinarily exceed 5000 words exclusive of charts, tables and other graphics. Present each figure and table on a separate sheet of paper, gathering them together at the end of the article. Use short and crisp titles and headings in tables and figures. Include a mention of each figure or table in the text itself in the margin where the figure or table should go.
8. Abstract (between 150-200 words) outlining the purpose, scope and conclusions of the paper. No abstracts are required for review essays or case studies.
9. Quotes should be cited accurately from the original source, should not be edited and should give the page numbers of the original publication.
10. Notes should be numbered serially and presented at the end of the article.
11. No stop after abbreviations (ISO, USA, BBS, MBA etc.) Use stop after initials (B.P. Singh).
12. Only those book reviews will be accepted that pertain to Business Management or allied disciplines. The book review must contain the title of the book, author's name, publisher's name, year of publication, price, ISBN etc. The review should not normally exceed 2000 words.

**13(A). Rules for citing the books on the reference list.**

- a) Use the author's surname and initial(s) only. Do not use first names, degrees, and the like.
- b) Cite all authors listed for the book in the order they are listed.
- c) Follow the author's name with the year of publication. Year of publication will be in

parentheses.

- d) The title of the book is next and it is italicized. Only the first word in the title or any proper name should be in upper case.
- e) The place of publication follows.
- f) The publisher of the book is listed last followed by a period ( . ).
- g) Space must be after periods that separate the parts of the citation and after the periods of the initials in personal names.
- h) Often, no single example from the manual will fit your citation exactly; in that case follow the closest example possible or combine appropriate elements from two examples.

**References : Books (Citation)**

Zeithaml, V.A., Parasuraman, A. & Berry, L.L. (1990). *Delivering Quality Service: Balancing Customer Perceptions and Expectations*: p.18. New York: The Free Press.

**Edited Book**

Harrington, D.M. (1990). *The Ecology of Human Creativity: A psychological perspective*. In Runco, M.A., & Albert, R.S., (Eds). *Theories of creativity* (pp. 143-169). Newbury Park, CA: Sage.

**Book by a Corporate Author**

Committee of Public Finance. (1979). *Public finance*. New York: Pitman.

13(B). Rules for citing the periodical articles on the reference list.

The Reference section appears at the end of the paper and lists all the research materials, which have been used.

- a) Use the author's surname and initial(s) only. Do not use first names, degrees, and the like.
- b) Cite all authors in the Reference list in the order they are listed with the source.
- c) Following the author information, give the date of publication in parentheses.
- d) For weekly and daily periodical/magazines such as newspapers and popular magazines, cite the year, month and day.

For monthly article/magazine, cite the year and the month.

For the professional journals, cite only the year.

- e) The title of the article follows. Only the first letter of the first word of the title or subtitle or any proper name appearing in the title should be in upper case.
- f) The title of the journal (in italic) comes next, followed by the volume number, and if

appropriate, the issue number. If the journal uses continuous pagination, i.e., it runs page numbers throughout a year or volume; no reference to an issue number is needed. In that case, the title of the journal is italicized, as well as the volume number.

- g) If the journal is re-paged issue by issue, i.e., each issue has a page number 1, then the issue number must follow the volume number. The issue number is in parentheses but is not italicized.

#### References : Articles (Citation)

##### Weekly Magazine/Article :

Singh, N. and Srinivasan T.N. (2005, May 21-27). Foreign Capital, Deficits and Growth. Economic and Political Weekly, XL, (21), 2196-2197.

##### Monthly Magazine/Article :

Gupta, K. (2005, May). Durables: On a Fast Track. Pitch 11(8), 42-50.

##### Professional Journal (continuous pagination)

Taylor, M.A. & Callahan, J.L. (2005). Bringing creativity into being: Underlying assumptions that influence methods of studying organizational creativity. *Advances in Developing Human Resources*, 7, 247-270.

##### (Re-paged issue)

Prasad, T. (2005). Mandi: A Field Sales Campaign for Teaching Personal Selling Skills through Experiential Approach. *IIMB Management Review Advances in Developing Human Resources*, 17(1), 87-94.

#### 13(C). Other References (Citation)

##### Newspaper Article

Maira, A. (2005, February 25). Putting humanity into capitalism. *The Economic Times*. P.16.

##### Computer Software

Soldan, T.J. & Spain J.D. (1984). Population growth [Computer software]. City, state (2 letters): Conduit.

##### Electronic Database

U.S. Department of Labor (1991). What work requires of schools. Retrieved August 15, 24, from <http://wdr.doleta.gov/SCANS/whatwork/whatwork.pdf>

##### Paper Presentation

McCollum, E.E. & Callahan, L.L. (22, November). The narrative assessment interview: The use of a psychoanalytic tool to evaluate a leadership development program. Paper presented at the American Evaluation Association Conference, Washington, DC.

##### Ph.D Thesis

Kumar, Ajay. (2005) "Human Resource Development Practices and their impact on Organizational Effectiveness (A Study of Selected Industrial Organizations)", Ph.D. Thesis, University of Delhi, Delhi.

##### Call for Papers ...

TJMS invites scholars, researchers, professionals and academicians to publish their research papers in the journal. The author(s) can submit their manuscript covering any of the following areas of business and management.

All the manuscript should be submitted in soft-copies to [journaltias@tecnia.in](mailto:journaltias@tecnia.in)

Author(s) must ensure that the manuscript is a original work and is not submitted for publication elsewhere.

Please see author guidelines.

- The research paper submitted by the authors' will undergo a review process to ensure publication of high quality work. Please see the review process.
- A sample research paper is available on the journal site. This can be used as a template by the author(s) for developing manuscript.

Accounting and Finance	International Business	Research Methodology	IT Management
General Management	Entrepreneurship	Hospitality Management	Retail Management
Human Resource Management	Operations Management	Project Management	Real Estate Management
Marketing Management	Organizational Behavior	Strategic Management	Supply Chain & Logistic



# TECNIA INSTITUTE OF ADVANCED STUDIES

Approved by AICTE, Ministry of HRD, Govt. of India. Affiliated To GGSIP University, Recognized under Sec 2(f) of UGC ACT 1956

INSTITUTIONAL AREA, MADHUBAN CHOWK, ROHINI, DELHI- 110085

Tel: 91-11-27555121-24, Fax No: 91-11-27555120,

E-Mail: director@tias@tecnia.in; Website: www.tiaspg.tecnia.in



## *Tecnia Journal of Management Studies* (A Bi-annual Publication)

### SUBSCRIPTION RATES (in Rs.)

Category	1 year (2 Issues)	2 years (4 Issues)	3 years (6 Issues)
Companies	Rs. 1200	Rs. 2200	Rs. 3200
Academic Institutions	Rs. 1000	Rs. 2000	Rs. 3000
Individuals	Rs. 800	Rs. 1600	Rs. 2400
Aluminous & Students	Rs. 400	Rs. 800	Rs. 1200

### Subscription Order Form

I wish to subscribe **TECNIA JOURNAL OF MANAGEMENT STUDIES**, for 1 / 2 / 3 year(s).

A Draft bearing No. \_\_\_\_\_ dated \_\_\_\_\_ for Rs. \_\_\_\_\_  
drawn in favour of "Tecnia Institute of Advanced Studies, Delhi" is enclosed.

#### Subscriber's Details

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Organization: \_\_\_\_\_

Mailing Address : \_\_\_\_\_

\_\_\_\_\_ PIN \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

Email \_\_\_\_\_

Date \_\_\_\_\_ Place \_\_\_\_\_ Signature and Seal: \_\_\_\_\_

Post the duly filled form along with your draft to:

Tecnia Journal of Management Studies, Tecnia Institute of Advanced Studies, 3 PSP, Institutional Area, Madhuban Chowk, Rohini, Delhi-85

Ph: 011-27555121-122-123-124 Fax: 011-27555120, Email: journal@tias@tecnia.in.

---

---



# TEC NIA INSTITUTE OF ADVANCED STUDIES

Approved by AICTE, Ministry of HRD, Govt. of India, Affiliated to GGSIP University, Recognized Under Sec. 2(f) of UGC Act 1956.

**INSTITUTIONAL AREA, MADHUBAN CHOWK, ROHINI, DELHI-110085**

Tel: 011-27555121-24; Fax No.: 011-27555120; E-Mail: directortias@tec nia.in; Website: www.tiaspg.tec nia.in



Tecnia Institute of Advanced Studies established in 1998 is NAAC accredited "A" Grade Institute ; Recognized u/s 2(f) of UGC Act, 1956; Rated as "A" Category Institute by SFRC, Govt. of NCT of Delhi & JAC, AA; "A++" Category Institution by Best B-Schools Survey conducted by Business India ; Ranked among the 100 Top B-Schools & IT School by reputed Publications; 7th Rank among the Private Institute in Delhi by CSR; Rated among the best school as per Business Today-MDRA. The Institute is ISO 9001:2015 & ISO 14001:2015 Certified for its Quality Management System (QMS) and Environmental Management System (EMS).

## MBA • BBA • BA(J&MC) • BCA - 2020-21

Master of Business Administration	- (Full Time)	1 <sup>st</sup> Shift	2 <sup>nd</sup> Shift	120 + 120
Bachelor of Business Administration	- (Full Time)	1 <sup>st</sup> Shift	2 <sup>nd</sup> Shift	180 + 180
Bachelor of Art (Journalism & Mass Communication)	- (Full Time)	1 <sup>st</sup> Shift	2 <sup>nd</sup> Shift	120 + 120
Bachelor of Computer Applications	- (Full Time)	1 <sup>st</sup> Shift		60
<b>Total:</b>				<b>900 seats</b>



Sh. Tejendra Khanna, Lt. Governor-Delhi conferring Gold Medal to Ms. Datinder Kaur, MBA Topper.



Prof. S.B. Arora Vice Chancellor, IGNOU Delhi being felicitated by Dr. R.K. Gupta, TIAS at Convocation.



Naveen Sharma (Gold Medal in 60Kg-Cat) Body Building Competition at GGSIP University Sports Meet

## TIAS - MY CHOICE

- Quality Education with Global Exposure** - Team of strong faculty with International exposure. Every student gets opportunity to go abroad for internship; Cultural Exposure; Multi-dimensional exposure to business and organizational environments, Summer Training, Project Report, Business Plan Presentations are powered with Online data bases.
- Established Institution Innovation Cell (IIC)**- MHRD, Govt certified Start up Ecosystem, Intellectual Property Right (IPR), Innovation, Entrepreneurship, Intellectual Property, and Technology Transfer & Commercialization. IIC encourages, inspire and nurture students by exposing them to new ideas and process resources resulting in innovative activities in their formative years.
- Online Lectures through TEC NIA TV** - Tecnia TV gives an opportunity to students to study the topics in advance before attending their lectures so that higher level of discussion and learning is attained.
- Ultra Modern Infrastructure** - World class infrastructure and high tech campus Fully AC Auditorium with 500 seating capacity with State-of-the-Art Audio-Visual facility, Conference Hall, Class Rooms, Tutorial Rooms with Audio Visual Aids, Lifts and Ramps.
- Laboratories** - Computer Labs equipped with 300 Nos. of 5i & 3i systems, Laptop, Printer, Scanner, Multimedia Peripherals & Microsoft Campus Software Agreement and OI Media Production Lab.
- T & P Cell & Recruiters** - Proven placement track record attractive salary/compensation packages. S&T Cell collaborators IBM, Wipro, HCL, J&J, ACC, Asian Paints, India Bulls, HDFC, Aircel, Dainik Bhaskar, Tech Solution, ICICI, IGate, NIIT, Trident, Genpact, IBN-7, Tech Mahindra etc.
- Industry Specific Research** - Summer Training, Project Report, Internships, Business Plan Presentations are powered with Online data-bases CMIE Proccess.



Medal Winners with the dignitaries during Tecnia Convocation 2018

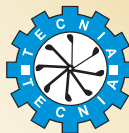
### HIGHLIGHTS

- 100% Pre & Placement Assistance, Training with good Industrial Organizations
- Industry Integrated Faculty
- Regular Corporate Interactions with CEOs, Mds, Consultant etc.
- Entrepreneur Development Cell, Business Plan, Case Folio Competition
- Library: National Digital Library, Book Exhibition on new arrivals, e-books, NAD
- NSS Unit, Eco Club
- Photography & Videography Club; Abhivyakti & Rangmanch Club; Press & Media Club, ED Club, Social Media Cell, Cultural Club, IT Club & Literary Club, Sports Meet
- fsai compliant multi cuisine Canteen
- Student Counselor Facilities
- Medical & First Aid Facility
- Cultural Fests & Star Nights
- Banking, ATM, Insurance CCTV Security & Barrier Free Environment
- Regular Convocation & Alumni Meet
- Programme Offered through Regular Face-to-Face mode
- Curriculum Design with Innovative Pedagogy
- Experienced & dedicated Core & Visiting faculty
- Study Tours & PDCS Classes

- Corporate Resource Center** - Corporate Interaction, Book Bank, Subsidized copy of Business Newspaper.
- Library** - Collection of vast diversification of books in the field of Management, Computer Science, Journalism, Marketing, Finance, Human Resources, Economics, Business Strategies, Operation Mgt, Information Technology and Mass Communication. LIBSYS Automation with Bar Code facility.
- Entrepreneurship Development Cell (EDC)** - Value Added Courses - Soft & Technical Skills Training with certifications e.g. Lamp PHP, ASP.net, Tally-ERP, Language etc. to enhance Employability.
- NPTEL Chapter** - Institute has setup NPTEL Local Chapter to create awareness and enable students to obtain certification programs and make employable or pursue a suitable higher education
- Faculty** - Faculty with rich experience drawn from Industry and Academia alike, viz., FMS, Main University Campuses, IITs, MNCs, PSUs, having Ph.D, M.Tech, M.Phil., NET/GATE qualifications.
- Pedagogy** - Bridge Classes, SLM, Multimedia Approach in Lectures, Assignments, Presentations, Case Studies, Project Report, Workshops, Tutorial Counseling, Concept Classes, Guest Lectures.
- Value Added Courses** - Soft & Technical Skills Training with certifications e.g. Lamp PHP, ASP.net, Tally-ERP, Foreign Language etc. to enhance Employability.
- FDPs** - To keep abreast with contemporary Knowledge, regular FDPs are being conducted for faculty members.
- Internal Quality Assurance Cell (IQAC)** - Assured quality teaching through technology for achieving new benchmarks.



Where Dreams are Chiselled into Reality



## TECNIA INSTITUTE OF ADVANCED STUDIES

(Approved by AICTE, Ministry of HRD, Govt. of India and affiliated to GGSIP University, Recognized under Sec 2(f) of UGC Act 1956)

Madhuban Chowk, Rohini, Delhi-110 085

Ph.: 011-27555121-124, Fax: 011-27555120

E-Mail: [journaltias@tecnia.in](mailto:journaltias@tecnia.in), Website: [www.tiaspg.tecnia.in](http://www.tiaspg.tecnia.in)

