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## *Message*

*Editor in Chief / Managing Editor*



*Dear friends,*

*Journal of Management Value & Ethics, it is achieving their impact as peer Journal in the field of Management in the whole country. Because, it is publishing standard papers, which are based on empirical and theoretical study. That will increase the impact of the Journal. Sometimes, we thought, who invented management, because, it is not only play important role in an organization but also in the human life. GMA has decided, it will bring the story of our top management Guru who are world famous. In the coming issue we publish first story of, The Man who had invented Management. Honorable Peter Drucker was our first Management Guru in the world; he had invented management and published many books on the Management. It is proud to our Journal to publish his name in our coming issue of the journal. Definitely, these steps help new generation to know about them. Our renowned editorial members supporting this Journal for research paper for publication from all around the country. All management experts welcome once again those who are interested to publish their papers in the field of Retail, Tourism, Hospitality, Event Management, Import and export, HRM, Finance, Marketing, Advertising, Accounting, Aviation, IT etc. We are saying once again that the aim of our Journal is that how we support to research scholars and academicians and associate them with our renowned Journal.*

*With best wishes to all.*

Yours truly,

**(Dr. P.S. Bhadouria)**

## *The Man Who Invented Management*

### **Management Guru: Peter Drucker**



Peter F. Drucker, who had taught many generations of world about management? He is purely and simply the most important developer of effective management and of effective public policy in the 20th century. "He was the creator and inventor of modern management," said management guru Tom Peters. "In the early 1950s, nobody had a tool kit to manage these incredibly complex organizations that had gone out of control. Drucker was the first person to give us a handbook for that."The story of Peter Drucker is the story of management itself. It's the story of the rise of the modern corporation and the

managers who organize work. Without his analysis it's almost impossible to imagine the rise of dispersed, globe-spanning corporations. Well before his death, before the almost obligatory accolades poured in, Drucker had already become a legend, of course. He was the guru's guru. He had moved fluidly among his various roles as journalist, professor, historian, economics commentator, and raconteur. Over his 95 prolific years, he had been a true Renaissance man, a teacher of religion, philosophy, political science, and Asian art, even a novelist. But his most important contribution, clearly, was in business. He has been invaluable & irreplaceable. Drucker came to early prominence with his 1946 management book "Concept of the Corporation," based on his study of General Motors, books include "The Effective Executive", "Management: Tasks, Responsibilities, Practices", "Managing in a Time of Great Change." His motivational techniques were later adopted by American companies.

"Successful leaders don't start out asking, 'What do I want to do?'," Drucker said. "They ask, 'What needs to be done?' Then they ask, 'Of those things that would make a difference, which are right for me?' They don't tackle things they aren't good at. They make sure other necessities get done, but not by them. Successful leaders make sure that they succeed! They are not afraid of strength in others.

## "A STUDY ON MANAGE YOUR TALENT BEFORE SOMEONE ELSE MANAGES THEM"

Sheeba Rehman Nizami\*

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### ABSTRACT

*To gain competitive advantage, the demand for human capital drives talent management. Talent management strategies focus on five primary areas: attracting, selecting, engaging, developing and retaining employees.*

*Given the current focus on the linkage between talent and the organisation's business challenges and strategies, effective strategy execution requires sufficient numbers of the right people with the right skills and knowledge, in the right roles. This has made talent management one of the most pressing issues facing senior business executives. Pressing business imperatives such as increasing turnover as the economy improves, globalization of markets and labour forces, aggressive competition heightened corporate oversight, have intensified the need to acquire, develop, deploy, motivate and retain key talent.*

*This article aims at presenting the importance of talent, factors affecting for success in talent management and problems in talent management to strengthen the understanding about talent management*

**Key Words: Human Capital, Turnover, Labor Forces, Acquire, Deploy**

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### "MANAGE YOUR TALENT BEFORE SOMEONE ELSE MANAGES THEM"

While a number of organisations are recognized as having world-class policy and practices, there is no single global standard. It is effectiveness of talent management in the organisation, as an outcome, which tends to drive evaluation as world class. Not all world class practice will be right for every organisation. Each organisation has a different style and culture, alongside different business needs and priorities.

#### **I. Talent Management:**

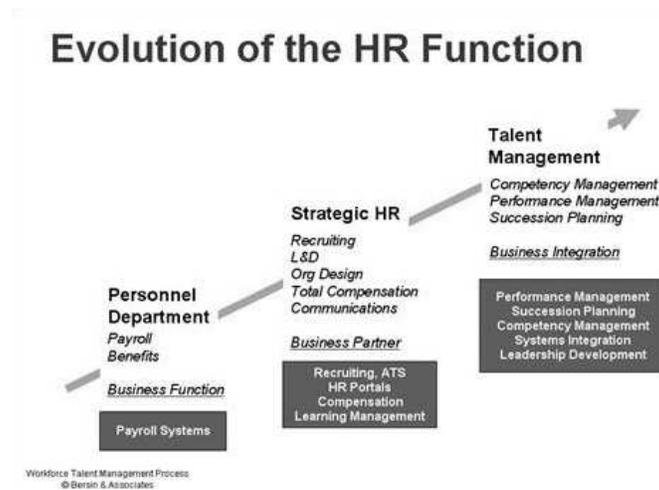
In a competitive marketplace, talent management is a primary driver for organizational success. Broadly defined, talent management is the implementation of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting,

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developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs.

**a) Evolution of HR functions:**



Earlier the personal department functions was to hire people, pay them, and make sure they had the necessary benefits. This system which supported this function was called payroll systems.

In the late 1990s organisations realized that HR had much larger role: recruiting the right people, training them, helping the business design job roles and organization structure, developed total compensation system included benefits, bonuses for happiness of employees. Now we are into new era: the emergence of talent management while strategic HR continues to be a major focus, HR and L&D organisations are now focused on the new set of strategic issues relating to effective recruiting, managing and retaining the employees in the organisation.

Understanding attraction, retention and engagement: as expected, competitive pay is the top attraction driver. Pay occupies two slots in the top five lists globally, highlighting not only the importance of providing competitive base pay, but also the emphasis employees place on true pay differentiation.

Work life balance, challenging work and opportunities for advancement round out the list of five global attraction drivers. While the importance of work life balance initially seemed surprising everywhere in the world, making it more difficult for people to maintain balance in their lives.

Top drivers of attraction and retention employees:

- ❖ Competitive base pay
- ❖ Work life balance
- ❖ Challenging work
- ❖ Career advancement opportunities

- ❖ Salary increase linked to individual performance
- ❖ Learning and development opportunities
- ❖ Competitive retirement benefits
- ❖ Competitive health care benefits
- ❖ Coaching/mentoring

Health care issues took "centre stage" for most people and made competitive health benefits the most important element for employees in choosing a job pay fell to second place.

**Retention:** The fascinating fact about retention is that retention strongly correlates with an organizational culture that values and nurtures talented employees and seeks to find and keep high caliber people who have the skills needed for the organisation.

Top five elements of retention:

- ❖ Organisation retains people with needed skills
- ❖ Satisfaction with organizations' decisions
- ❖ Manager understands and motivates employees
- ❖ Work life balance
- ❖ Organisation reputation and image
- ❖ Stress free work environment
- ❖ Learning and development opportunities
- ❖ Communication of opportunities
- ❖ Clarity of expectations from both the sides
- ❖ Competitive and fair salary
- ❖ Quality of work life

In high-performing companies, for example, senior management also is responsible for the success of talent management. At the same time, for talent management initiatives to be effective, organizations need formal processes, with many people involved and with strong links between leadership and talent to translate into specific organizational value-based behaviors.

**b) Talent management: A process**



**c) Attrition:**

There is a difference between retention and attrition. Lack of well defined career path with adequate reward and compensation at par with other business functions is a cause of high attrition in HR. In some organization the specialist and generalist functions lack collaboration approach and always a cause of internal discontent within HR. It's almost similar to left hand not knowing what right hand is doing or blaming each other in case things don't work out.

As this realizes that the supply-demand gap in the HR industry is overwhelming. Retaining quality employees is of critical importance to employers for a wide variety of reasons, not the least of which is the cost burden faced by employers each time a worker leaves. There are some possible reasons for high attrition in the growing need for skilled HR professionals.

- Other job opportunities
- Better pay/compensation
- Moved from the areas
- Working conditions
- Lack of benefits
- Transportation problems
- Dependent care problems
- Housing problems

The point to be made is that whereas paying good money may once have been the primary factor in retaining good employees, it is now merely a "price to play"- in other words, good salaries only get an employer in the game of recruiting qualified employees, but they are not sufficient to retain employees who are otherwise dissatisfied with the circumstances of their employment.

To better understand and reduce turnover in a company, employers must confront the situation and ask hard questions with an open mind. Admittedly, exit interviews are not always possible and may frequently be comfortable for both parties, but the information gathered can prove invaluable.

**TALENT MANAGEMENT AND EMPLOYEE ENGAGEMENT:**

In general, the more engaged an employee is, the more likely he or she is to focus on what we might term value-enhancing behaviour. Engaged employees feel essential and important and, in turn, are willing and eager to contribute.

The most influencing engagement is the possession of sufficient opportunities to learn and develop new skills. One of the top HR management trends is mitigating turnover risk and restoring employee engagement, according to management consultant Mercer Inc. One way businesses can meet these challenges is by being more strategic with the coaching and development of employees.

An engaged employee is an informal employee. This is informed employee would feel valued and critical to success. Organisations that put a premium on enhancing employee engagement will need to make a close look at the particular attitudes and needs of their existing workforce and develop customized solutions for varying segments within their overall population

**Leadership** is one of the critical elements in the engagement equation. Employees express a fair amount of skepticism about leadership, especially in terms of senior management's vision, ability to inspire, commitment to open communication and interest in employee well –being. Nonetheless, senior leaders still have the power to inspire, and middle managers have the responsibility to coach and guide people.

Customizing **rewards** is a critical area of focus, although the emphasis that employees place on various rewards differs significantly across countries and cultures. This underscores why customizing rewards has moved from a "nice to do" to a "must do".

**Corporate branding**, a key organizational strategy, is another business strategy that drives talent management. Increasingly, firms are linking their brand to employees and corporate behavior. At JPMorgan Chase, for example, the concept of leadership for all employees is part of its corporate branding: "One Firm, One Team, Be a Leader."

While there is a great deal of commonality in the rewards attracting people to a job and a company, far more variation occurs in the rewards influencing retention and engagement.

#### **TALENT MANAGEMENT AND WELL TRAINED STAFF:**

Global competition for skilled workers is keen; worldwide, many employers are experiencing a talent shortage. Well trained staff is one of the keys to retain talented employees in this competitive scenario. It would be logical to assume that a high percentage of employers would ensure that training is provided to their employees. For example, with the growing need for global technical expertise, Ford Motor Company links competency development to its organizational strategic goals.

Knowledge transfer: has a great impact on talent. Positions overlap, particularly in staff positions, is quite effective in knowledge transfer and often not provided for in higher education.

Internally driven performers: One of these characteristics that could be specified as additional qualification is a sense of personal satisfaction coming from within rather than reliance on outside direction and praise of others.

#### **THE GOLDEN RULES FOR LATENT MANAGEMENT:**

**Developing talent:** In order to keep businesses going it is important to develop your existing talent, especially focusing a lot of your time with your top performers. Many organisations focus too much energy "watering rocks" i.e. poor performers during difficult times.

- Create a culture within the organisation where it builds a positive reputation

- Develop talent in the areas that are strong revenue partners
- Build confidence throughout the organisation

**Performance based rewards:** it can increase retention among high performers. People who feel recognized demonstrate a stronger desire to help the company grow and succeed. Therefore, having a pay for performance or incentive program worked into your organizational structure could leverage employee engagement and overall organizational performance.

- Implement a pay for performance structure
- Helping in the succession of the organisation at large

**Creating a true culture of talent:** Create a true culture is a crucial task of organisation. To retain the talent it's very important to build a culture of empathy and teach professionals how to examine their mental models about people and the world they live in.

Long term goals: managing the short term needs or the daily activities along with the long term organizational plans and vision remains a tough task. These strategies provide additional value added capabilities that improve management visibility and control, enhance process quality and increase overall business performance.

- Grow mindshare
- Improve operational efficiencies
- Boost value an longevity

Don't base employee's growth opportunities on their tenure rather on their contribution.

Encourage all mangers to identify successors and future leaders, and to inform those star performers of different career paths within the organisation. Given them the tools to develop career goals and to identify how the company can help them retain these goals.

Offer a variety of educational opportunities on such skills as facilitation and communication, as well as computer training. Ask employees to evaluate the classes and their usefulness. Strive constantly to improve challenges.

Give employees slightly more independence than they ask for. Giving employees more responsibility than they think they can handle, without overwhelming them, helps create an environment where employees are empowered, challenged, and never stagnant. Employees will then feel valuable.

## **CONCLUSION:**

After reading this paper it can be concluded that while every employer needs effective and productive talent management, it means different things to different companies. When all is said and

done, talent management is what you defined to be-a tailor-made strategy that works for your organisation.

Lastly, the factors managing talent for sustenance competitive advantage are performance oriented culture, low employee turnover, high level of employee satisfaction, a pool of qualified replacement, effective investment in employee development and the use of organizational competencies in employee selection and performance evaluation process. A proactive talent management system has become a necessity and the organizations who do not adopt it will find it difficult to sustain competitive advantage. The aggressive and sustained growth and diversification has led to the need for more talent, not only in terms of numbers but also with new varied and superior skills.

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#### Online resources:

1. *Building Engineering & Science Talent*-[www.bestworkforce.org](http://www.bestworkforce.org)
2. *Human Capital Institute*-[www.humancapitalinstitute.org](http://www.humancapitalinstitute.org)
3. *Human Capital Online*- [www.humancapitalonline.com](http://www.humancapitalonline.com)
4. *Institute for Workplace Studies*-[www.cornell.edu/iws](http://www.cornell.edu/iws)
5. *International Labour Organization*-[www.ilo.org](http://www.ilo.org)
6. *SHRM 2006 Talent Management Survey Report*-[www.shrm.org/surveys](http://www.shrm.org/surveys)
7. *The Performance Institute*-[www.performanceweb.org](http://www.performanceweb.org)
8. *World Economic Forum*-[www.weforum.org](http://www.weforum.org)

## TOTAL PRODUCTIVITY AND EMPLOYEE ENGAGEMENT

S. Balasubramaniam<sup>1</sup>

V. Selvalakshmi<sup>2</sup>

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### ABSTRACT

*Employee engagement is an integrated window of individual capabilities and organizational results. Leveraging the multiple -talents of the employee for the organization growth and individual growth leads to a win-win scenario, i.e: employer & employee. Every employee has three dimensions to his work. This paper tries to understand the various facets of employee engagement pertaining to innovation process and leading to innovation Index in the organization, to harness this under utilized goldmine. This interplay helps the employees fit into the employer's challenges and growth in the organization.*

**Key Words: Productivity, Employee Engagement, Business strategy, Innovation Index.**

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### 1. INTRODUCTION:

In today's world, success requires some more than just good attendance. Many studies which have been conducted shows that employees that are passionate about the work are in minority.

A study by a reputed international research organization reveals that only 29 percent of employees are highly engaged. When the Corporate Executive Board, looked at the engagement levels of around 50,000 employees around the world, they placed only 11 % in the "true believer category"<sup>1</sup>.

From various research studies about employee engagement, it can be summarized as

Percent	Level of engagement of people in the organization
29 %	Engaged
54%	Not-Engaged
17%	Actively disengaged

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Source: **The Gallup Management Journal's semi-annual Employee Engagement Index<sup>2</sup>**

In this conceptual research paper, covers the following different headings. These are

- i. Employee engagement
- ii. Caring for people
- iii. Alignment between business success, business strategy and people resource:
- iv. Management commitment
- v. Aligning business goals to talent goals and talent development
- vi. HR's role in Business Alignment and total productivity
- vii. Drivers of employee engagement
- viii. Innovation and innovation index: creativity & innovation process

**EMPLOYEE ENGAGEMENT:**

The Gallup Organization, potentially the most widely recognized name associated with employee engagement due to their best selling book, "First, Break All the Rules," defines engaged employees as those who, "work with a passion and feel a profound connection to their company" and "drive innovation and move the organization forward" (GMJ, 2006).<sup>3</sup>

**Enjoyment:**

When people feel that there is a match between the job profile and their life interest and also their skills, they tend to receive more delight and satisfaction. The best example which can be provided is the sales manager .Why do you think the sales manager fails, it's simple because they were good in doing their sales job, but when promoted, the job and roles changes. They did not have the skills to manage and also it was found that the great number stumble because they enjoy doing selling job and derive more satisfaction in doing it than coaching others to sell.

The functional task alone doesn't add or detract from enjoyment, it is also depends how well these people can thrive well in the team environment Vs one in which they can function independently. It can also because of the interest of the people, some like to travel some like to manage others, some like challenging jobs with rewards while others like to do stable job and get a reasonable rewards and pay.

**Faith System:**

The important factor regarding engagement also depends about their belief. People tend to be engaged more when they start having belief that positive contributions is been made by them to their own organization, society and also to their jobs.It is also important to have a connection between what the employee does everyday and organization mission and goals ,which is most crucial for the engagement.

One can find that the care givers work very passionately and belief in their own role and responsibilities and also in the volunteers in any of the Voluntary organizations. Similarly one can find

good trainers believe in what they do and they also belief in providing opportunities and nurturing growth in others.

**Value:**

People can be rewarded in two ways. One is giving various types of financial rewards like increment, bonus, all paid trip etc. Secondly people can be rewarded by recognizing their work publically. This can be in the form of boss taking time to understand subordinates work, or praising him in the group or felicitating him in the organization for the contributions made.

.Most of definitions of employee engagement define them in terms of how a person “feels from inside “.When the researcher asked them, whether the engagement level is readily noticeable to a visitor from outside, they answered “yes”. Enjoyment in the job, what they belief in what they are doing and also feeling more valued about their contributions is apparent to others through their behavior.One can easily observe difference between the levels of engaged and energized people and people with low employee engagement. The employees who are engaged with the organization always go beyond the roles to solve the problems faced by their customers. Quality and continues improvement is also noticeable amongst them.



Today’s organizations are characterized by workforce from different cultures, values, time zones and skill sets. To manage this diverse workforce is a challenge to the HR group in the organization.

**2. CARING FOR YOUR PEOPLE**

Caring about your people in the organization is most significant aspect in Employee Engagement. The organizations which care for their employees tend to be more empowering one compared to the organization which constantly robs their employees of their own passion. This thought is been given by William C.Byham in his bestselling book named “Zapp! The lightning of empowerment”

In today’s competitive business environment, where talent retention is a big challenge, companies should make engagement a key ingredient in their overall strategy. But why it is so? There are four drivers which make the organizations belief that they should engage their employees<sup>4</sup>.

**A. People:**

Brookings Institute conducted research to find out the primary source of the organizations market value and how this value has changed over the years. In 1982, research found that tangible

assets played the major role and intangible assets played a minor role in assessing market value. When we say tangible assets it included machinery, products and so on, while intangible assets are brand, IP, quality of the workforce and so on<sup>5</sup>.....

But, it was shocking when the research is been conducted by the same institute during 2002, result found was visa-versa. Around 80 % of the market value came from Intangible assets and remaining from tangible ones. That's the main reason, why organizations should make engagement a part of their overall strategy.

#### **B. Retention and the war for talent:**

The McKinsey<sup>6</sup> study, the war for Talent conducted during 1998, made the organizations realize the need for attracting and retaining talent, which gave assurance for them to survive and thrive in the future. Some of the researchers predict that the retirements are been delayed wantedly by today's aging population, mitigating the shortage in the expected talent. Again since 2003, the picture is changing. Example: A survey conducted by Strategic Human resource Management has reported that 48% of the employees are looking for new jobs keenly<sup>7</sup>. This clearly shows that many organizations are still not keeping their employees engaged.

During 2006 the existing work force, already hit the age of 60 and also was ready to retire. Because of this and also due to increase in separations, workforce cost also have gone up and companies started paying more attention to the increasing financial expenses. Gradually, employee engagement acts as a vital key to keeping up key employees and also for attracting new employees as the war for talent heats up which has financial implication for the organization.

#### **C. Lighter Stuff:**

During the BPR wave, many managers found it difficult to reduce workforce and they also needed the old employees help to manage the business. While Six sigma implementation are providing value to business performance, but the problem is that most companies find it difficult to implement. Likewise engagement is a different matter. It takes time and also needs patience to implement engagement; it focuses on "soft stuff" to get "hard stuff".

One survey stated that it is all about how the passion for work is been created among the employees and also it is about the recognition and opportunities provided for the growth of the individual employees. Employee engagement is the positive way to check out the attrition and also to increase the productivity, which is the easy way for both the organizations and employees to choose.

#### **D. Overpowering force:**

Many studies has been conducted to find out the positive relationship between employee engagement and their performance, which is also been documented. Still, human resource function has always been under pressure to prove the point, that employee engagement always makes a positive contribution and also makes a difference. Fact: **To prove that above point, one survey was**

**conducted the result was overwhelming .It has been conducted in different countries, industry. The result obtained was the higher employee engagement resulted in the business performance to increase .<sup>8</sup>**

Gallup study estimated during their research that unengaged workers cost the company \$64.8 million dollars a year. In Japan, it is only 9% of employee are not engaged, but those meagre percentage caused \$232billion loss each year. It all depends on personnel management. And for the past 2 decades, companies are trying hard to realize the benefits of performance management, teamwork, people development, empowerment and new leadership styles. But implementing is not the easy task. On one hand, employee engagement has shown payoffs, and on the other hand, low employee engagement attributes to downsizing which ultimately leads to tearing away the loyalty and commitment.

### **3. Alignment between business success, business strategy and people resource:**

The research study conducted by Taleo reported that both low level of employee engagement and low productivity are a big risk to the company's bottom line. Why are low engagement and productivity<sup>9</sup>an increasing threat? Because, in an economic downturn companies are doing more with less and cannot afford to have performance from any employee below the optimal level.

In 2006, the cost of lost productivity in the US was estimated at \$554 billion dollars.<sup>10</sup> This loss of productivity was calculated when the US had a relatively strong economy: employment was up, salaries were high, and the economic climate was upbeat. Now, consider the state of this down economy in which employees face significant pressures including fear of losing their homes, worries about losing their jobs, and concern that their retirement savings will be wiped out. With these anxieties, the loss of productivity in 2009 will likely be even greater.

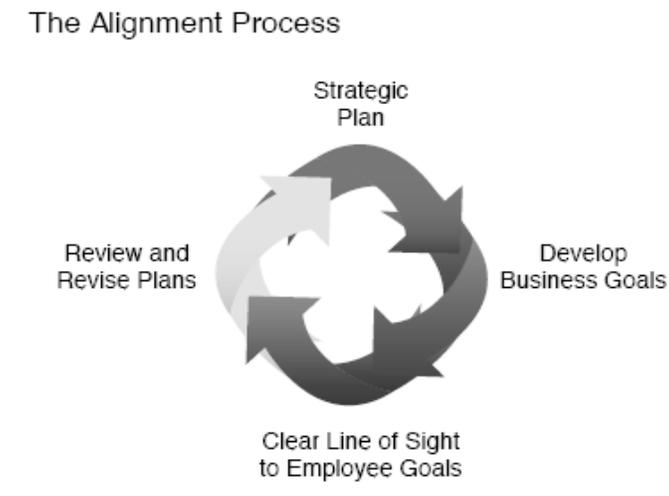
Employee engagement and productivity has a direct correlation. Studies have quantified it by measuring these interrelated factors.

- One study found that when employees are highly engaged, their companies enjoy 26 percent higher revenue per employee.<sup>11</sup>
- Another study showed that highly engaged employees are twice as likely to be top performers, thus more productive.<sup>12</sup>
- Companies with highly engaged employees also earned 13 percent greater total returns to Shareholders<sup>13</sup>.

Alarmingly, a global survey focused on employee engagement found on average fewer than one in three employees (29%) are fully engaged, 52 percent are moderately engaged, and 19 percent are actually disengaged.<sup>14</sup>

Employee engagement and productivity is affected by many factors, but it is like two sides of the coin, hence inseparable. It is also known that, engaged employees are more productive, but the biggest question mark is how to keep the employees engaged to gain high levels of productivity, even though the company is facing the effects down turn in the economy? Goals alignment is the first step in the process. Aligning employee goals and giving them a clear line of sight to their contribution to business results will help drive improved engagement and thereby improve productivity.

A clear linkage can also be made between alignment and bottom line results. In a study done by Dr. Jac Fitzenz—an expert in HR metrics— showed that out of 40 companies studied: Weaker performers did not had any aligned goals, while nearly 44 % of the employees who are top performers at managerial level had hundred % aligned goals.<sup>15</sup>



**Fig 1 The alignment process<sup>16</sup>**

These plans are living, breathing documents that are revised when and if the business plans change. While technology will help facilitate, manage, and report progress, it starts with a committed management team and a solid process for execution.

**4. Management commitment:**

Management commitment is also the most important factor. Senior management needs to be eloquent in the corporate strategy; it's their responsibility to create the environment that drives the strategy down through the levels of business. The accountability and responsibility in the execution of the company's goals should be created by aligning business goals with strategy. It should be created by the management.

Next, a system of rewards and recognition should be developed to ensure those goals are met and stipulates accountability when goals are not attained. This requires a company-wide effort. There are distressing examples in which employees attain their goals and are even paid large bonuses while the company was losing money. This disconnect is recounted in the news. Consider the Merrill Lynch reports that cite this large financial institution paid out millions of dollars in bonuses as the company was going under. How does this happen? There is misalignment between strategy, business goals, and employee goals.

Alignment is considered as a difficult task. Taleo Research conducted a global survey of more than 900 HR and line of business executives to understand about the priorities and the challenges of managing talent. 85 percent of companies reported the linking talent goals to business goals as "Challenging" or "Very Challenging", when asked during the survey.<sup>17</sup> It is like putting the zigzag puzzle in place.

### 5. Aligning business goals to talent goals and talent development:

The significant part of employee engagement is also about company's strategic plan which starts with aligning goals. All successful businesses always have a clear understanding about their strategy, which is then reflected in business goals that help them to align with the strategy. But this task requires management commitment at all the levels especially at the middle managerial level, because they not only develop the business goals, they also develop a clear line of sight from those business goals to employee's goals.



**Fig2. Linking Talent Management Goals to Corporate goals<sup>16</sup>**

## 6. HR's role in Business Alignment:

HR function has a key role in driving the process and selecting the tools needed to achieve alignment. How well is HR rated in driving this process? A McKinsey study asked both HR and line of business (LOB) executives "Does HR lack the capabilities to develop talent strategies aligned with business objectives?"<sup>16</sup> When the above question was asked, only one-quarter from the HR accepted the statement but the line managers accepted the statement in majority (nearly 58%). This is a gap of 33 percent. Clearly LOB managers do not see HR as being up to the task.

Overwhelming response from HR managers confirm the need to align employees talent and skills to business needs. Also suitable environment has to be created so that employee skills are suitably used. This enhances the business performance.

Alignment is not only the HR issue; top management should also take active part in it. Although HR may facilitate the process and implement the systems to help ensure a talent strategy aligns to the business, HR cannot execute this strategy without the commitment of the line managers.<sup>16</sup>

### Total Productivity:

- According to productivity view, productivity is based the output delivered or considered. There are 3 aspects for the consideration of productivity.
- It is considered as either 9-4 working hours or 10-5 working hours

Quantity can be measured by

- Output produced
- Errors
- Effectiveness

Employee engagement:

It can be measured by

- 9-4 job hours
- Fruitful interaction with peer group—Use technology during off office hours
- Identifying his special skills (life skills)/Talent development.
- Innovation and creativity identification and development
- Financial benefits
- Which in turn will lead to growth of companies innovation index

Innovation helps the company to growth and also to survive during the down phase of business cycle or economic downturn.

Thus, Total Productivity consists of Output during 9-5 hrs, effective peer interaction, Talent development, and Innovation, which in turn increases employee productivity. Organization, if it can organize and structure these Innovative ideas can lead to building of Organizations Innovation Index. Thus Total Productivity consists of harnessing the full potential of the employee during and off the working hours, leading to Business Success by digging into the Innovation Data base as per business requirements. (Fig3)

Fig3: (Source: Taleo Research)<sup>16</sup>



Total Productivity is not just employee contribution during—9to-5pm or 10 to 6pm hours. It requires peer interaction, talent development, bringing Innovation to work, organization structuring and harnessing this through metrics like Innovation index. Thus through total productivity, Employee engagement is assured. This leads to personnel success and Business Success. The People equity shown in fig4 is the People resource of the organization to be used as a reservoir.

**7. Drivers of employee engagement:**

**Fig 6. Drives for employee engagement and interlinkage<sup>17</sup>:**



**8. Innovation and innovation index: creativity & innovation process**

Though the literature on the Creative process is vast, it can be briefly stated as giving new dimension or perspective to the already available material, process & tools, so that a new higher value

is created. The solutions to problems are worked out using once unique skills and understanding. It like a R.K.Lakshman's cartoon made of common man's observations.

In the creative process one must have a clear idea of the problem, state it clearly and focus on the structure of the problem.

The next step will be using one's knowledge, experience and insights, by a creative process a number of potential solutions are considered. Other potential alternatives brought in by external inputs are also considered.

Combing these two sets, can develop into number of solutions which the mind can process.

Next step is to get various permutations and combinations using these alternative solutions. During the whole process one thing which is important, is that the whole process takes place in memory, which, unfortunately, has very limited capacity. That is the reason why it is hard to find out new ideas, creations and innovations. If one has exposure to various problem solutions, zeroing from the solutions becomes easy.

So to be more innovative and creative the necessary thing is to have exposure to various types of problems and a database of their solution. So that during the hour of need these can be used.

#### **Indian Scenario:**

When we talk about Indian scenario in field of business creativity and innovation, we find that people have tendency to do business but we are lacking in number of good and organized entrepreneurs. There are thousands of small and medium sized entrepreneurs, who are individually doing very good job at their respective positions but not growing.

We need people who can do businesses at greater scale and level. The reason is lack of innovation and creativity. The main reason is conservativeness of Indian parents about their children. Nobody wants his/her child to take risk. They want their children to grow with in boundary of homes and think only what is required. Children are not allowed to take risks because parents are afraid of it. But in the whole upbringing parents forget that childhood is the age of innovation and experiments. If a child s not allowed doing new things then he will not try to think about new ideas. Then there is lack of innovative mindset, resulting in a dearth of Intrapreneurs and Entrepreneurs.

The other reason may be that we are not very much exposed to business environment. The real business era came only after Indian government started reform process in 1991. People here have relatively less experience of business situations. They are not ready to take risks on their own. It will still take time for common people to learn the technicalities of business and to start their own enterprises. Or people can be trained to come up as entrepreneurs. Studies and also history has shown that best results for innovation come after lot of experiments.

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### **Managing the innovation:**

Ideas can come from any part of the organization. Be it manager, be it peon, and be it the top brass of a company. Good companies always respect ideas irrespective of the person giving the idea. The problem is not that there are not ideas, but there is no management of ideas. Like any other thing ideas can also be managed. A manager can give an idea which is not required today but can be very much helpful on any other good day. It is useful only when right idea come at right time. But it is simply not possible always. So there is a need of management of ideas.

Creative companies encourage their employees to think out of box. Best examples of these are 3M, Yahoo and GE. This process has enabled yahoo to build a whole new business on Search engines. Similarly 3M has a new business in Stick me Notes, GE in portable ECG.

The employee's and managers in these organizations come up with lot many innovations. They manage their idea's better than the competition Yahoo let its employees and managers think out of the box. They came up with lot many innovations. They managed the ideas better than Google and relegated it to the second position.

### **Managing the Innovation Index:**

Every year firms spend millions of dollars on research and development. They keep a track of money spent on it but companies faces problems when it come to find out the output the money spent on research. Research may or may not come up with a positive result. It is some sort of experiment. You may get the desired result in tons or you may end up with all money gone nowhere<sup>21</sup>

### **9.Conclusion:**

Employee Engagement is real predictor of individual and organizational improved performance. Many of the companies' efforts to increase productivity can be counter productive.

We have found that there are two benefits that are derived from the total productivity; one is employee engagement which helps in increasing the productivity, creates top performers and finally helps in curtailing the employee turnover. This in turn improves retention, to derive further benefit or enhance the benefits there has to be alignment between the employee goals and company strategy. .Here, alignment can be further explained as tying strategy to business goals, giving the employees a clear line of sight about what is happening inside the organization, improving visibility to achieve the goals..

Both engagement and alignment helps the organization to have a clear focus, decreases lost productivity and increases revenue. When all these are synergized, it has a great organizational impact, ultimately helping the organization to sustain even during the bad times.

Further in days of geographically spread organizations and constraints and pressures on time, employee engagement can be still achieved by using technology leveraged mentoring, managing the innovation in the organization, creating a transparent and visible innovation index.

Thus, total productivity creates value for the organization and leads to business success with sustainability.

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## INFLUENCES OF ETHICS AND VALUES ON ORGANIZATIONAL CITIZENSHIP BEHAVIOR: A REVIEW

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### ABSTRACT

**Purpose:** This paper presents a comprehensive review of the recent literature on ethics and values on organizational citizenship behavior.

**Design/methodology/approach** – The authors have reviewed studies carried out in the area of ethics and values on organizational citizenship behavior from the corporate by carefully assimilating findings on evaluating the impact of ethics and values on OCB.

**Findings:** Most of the studies have focused on the effect or impact of ethics and values on OCB of different organizations in different countries. The influential factors on OCB have been defined on: Work Centrality and Culture by most researchers.

**Research limitations/implications** – This paper is a review based paper and does not include any empirical evidences. However, this paper is very useful for researchers working in this area as it gives them a snapshot of the studies conducted in this area. Thus, it will help them to understand the current literature available in this area.

**Originality/value** – This paper is a review of the existing literature available in peer reviewed Journals in the area Organizational Citizenship Behaviour.

**Keywords:** Ethics; Values; Performance; Work Centrality; Culture; Organizational Citizenship Behaviour.

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### INTRODUCTION

Business has created increasingly diverse work force within countries post globalization and internationalization and therefore there has been constantly an enduring challenge for organizations in the current regime to encourage behaviors that serve organizational goals. However, the same is not easily monitored or explicitly rewarded (Korsgaard et. al, 2010; Chiaburu and Byrne, 2009). Early interest in unrewarded organisational behaviours (Katz & Kahan, 1966) developed a deeper

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understanding of what motivates such prosocial behaviour (Organ, 1988) and the definition of organisational citizenship behaviour (OCB). Therefore, most of the organizations in a major way trust their employees for an extended behavior that lead much ahead than their formal employment agreement and are not readily monitored or enforced (Korsgaard et. al, 2010; Podsakoff et. al, 2009).

Research evidence states that Organizational Citizenship Behavior (OCB) exhibits behaviors of employees that characterize extra-role or that are discretionary in nature and therefore not formally defined by the organization. Majority of the researchers suggested that OCB is indeed an important factor in both employee and organizational performance. Previous studies found evidences that OCB is related with ethical behavior and performance differences of employees. (Kuehn & Busaidi, 2002). However, as globalization progressed, such behavior has been culturally embedded and researchers needed to understand how it is in turn linked to work values. Sparrow (2006) argued that the need to incorporate the study of values into the analysis of OCBs is to reflect psychological, emotional and attitudinal states and salient organizational behaviors. The researchers have since linked cultural work values to an understanding and prediction of the behaviour and performance of individuals at work (e.g. Varma et. al, 2009; Gahan and Abesekera, 2009; Gerhart, 2008; Kirkman et al., 2006; Sparrow and Wu, 1998). This work has shown that cultural values do indeed play a role in encouraging or dissuading OCBs. To understand what motivates OCBs is important for practicing managers as organisations expect their employees to perform behaviors that is beyond expectation to that of the formal employment agreement (Korsgaard et. al, 2010; Podsakoff et. al, 2009). However, very limited research had been conducted to understand what motivates such behaviours in different contexts across the border however the same has not been adequately researched especially in Indian business houses (Korsgaard et al., 2010; Chiaburu and Byrne, 2009).

The definition of organisational citizenship behaviour (OCB) posited by Organ, (1988) was that an individual employee behavior which is discretionary and not explicitly recognized by the formal rewards system of an organization, on an average appraise to an effective functioning of an organization. Traditionally, Organization citizenship also called "good soldier" syndrome, is on-the-job work related behavior, not related to the formal organizational reward system, and promotes the effective functioning of the organization Turnipseed, (2002). The study of organizational citizenship behavior (OCB) has emerged as an extremely popular topic of organizational psychology, human resource management, and organizational behavior. It has been of an increasing interest to both scholars and managers (Lepine, et. al, 2000; Motowidlo et. al, 1997; Organ & Ryan, 1995). However, most of the OCB studies have been conducted in the US so that in spite of the voluminous and enriched literature from Organ, (1988) limited research has been conducted in this area in global context has been conducted. (Farhet et. al, 1997). Only recently has OCB been studied in other international contexts such as in China, Singapore, Taiwan, Australia, Japan and Hong Kong (Chen et. al, 1998; Hui, Law, & Chen, 1999; Lam, Hui, & Law, 1999; Tang et. al, 2002; Van Dyne & Ang, 1998).

An argument made by the researchers that OCB is simply ethical behavior; however, examination of the constructs indicates clear differences. Ethics derives from the Greek word *ethos*, which means character or custom (Solomon, 1984). According to Solomon (1984), the etymology of the word suggests that its fundamental concerns are with individual character, including what it means to be a “good” person, and the social rules of right and wrong (morality), which govern one’s conduct. Ethics and morality cannot be separated and are commonly used synonymously (Shaw, 1999). There is neither a universally accepted definition of ethics nor a standard measure that allows an individual or event to be uniformly judged as ethical or unethical. Two individuals judged by many as highly ethical may have divergent views on such issues as capital punishment, abortion, affirmative action, layoffs, plant closings, environmental issues, or discrimination. Two ethical individuals may act consistent with their values and arrive at different conclusions about a given decision, as the meaning of “ethical” is individual specific. Family influences, religious values, personal standards, and needs influence the individual’s ethical conduct (Schermerhorn, 1999). An evaluation of ethical behavior may be further confused by dissimilar roles: employees, managers, shareholders, and consumers may view a given situation in different ways (Ferrell et. al., 2000). Ethics must be evaluated with respect to personal values, which are the underlying beliefs and attitudes that are partial determinants of individual behavior. Values are the basic convictions that a “specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state . . .” (Rokeach, 1973). They contain a judgmental element as they convey an individual’s ideas as to what is right and wrong in both a content and intensity state (Robbins, 1998). These values vary among people, and, consequently, there are “. . . different interpretations of what behavior is ethical and unethical in a given situation” (Schermerhorn, 1999). A difference between an ethical decision and a routine one is the amount of emphasis on personal values as the decision is being made (Ferrell and Fraedrich, 1994). Due to the individual component, there are several different and conflicting points of view or interpretations of ethics.

An attempt has been made by the previous researchers to take transformations in important work-related behaviors into account by studying changes in work related ethics and work values. The researchers have worked previously on number of work values, ethics, beliefs and norms and considered to underpin OCB. This paper would consider the previous results on OCB with a review of the theoretical foundations through work values and then the authors of this paper would further consider exploring the theoretical linkage between the two in order to identify appropriate variables in next study. (Sparrow, 2010).

#### **IMPACT OF WORK VALUES ON OCB:**

A study examined by Sparrow, (2010) on the impact of work values and individual characteristics on OCB revealed that both demographic factors and work values influence OCB and task performance. Among the demographic factors, gender, employment category, and the level of education had significant impact on OCB. The work values dimensions of norms, ethics, intrinsic values, and external locus of control were also found significant in influencing OCB in both local and

foreign invested firms. However, differences between foreign-invested firms and local firms also found with regard to the impact of gender and employment category on Citizenship Performance. Clerical employee's "involvement in citizenship performance towards interpersonal relationships (CPTIR) was found to be significant both in foreign-invested firms and local firms. In addition, while the impact of work norms on OCB was found to be significant in both local and foreign invested firms, the impact of work ethics on OCB was found to be significant in local companies.

A study by Tevruz and Turgut, (2002) on work values indicated that the person could work for worldly goals such as; gaining money or status; for normative goals like creating a home and an orderly life or individualistic goals of advancement and self-improvement. Tevruz and Turgut's (2002) work goals/values inventory was used and some differences in the items in the factor structure were determined. Tevruz and Turgut's found that the effect of work values on organizational citizenship behavior is partially realized through the degree of importance a person attributes to working. The analysis revealed that the effect of worldly work values on responsible citizenship and the effect of normative values on optimistic citizenship depend partly on work centrality. Studies in the context of U.S Baker et.al, (2006) an empirical research was conducted with a model with the dimensions of ethical behaviors in organizations. The dimensions or the variables that was considered were the corporate ethical values, organizational justice and organizational commitment. The study was investigated from 489 members of National Association of Purchasing Managers (NAPM) deploying structural equation modeling. The findings suggested that data collected did fit into the model.

### **IMPACT OF ETHICS ON OCB:**

A basic understanding of ethics has been to the moral principles of values that usually connect with an individual or in a group. The same can also be viewed as a behavior that is sacrosanct. The legal standards/regulations/rules/policies do not emphasize always to be ethical. Legal rules are something which is generally enforced by the court of law while ethics are an individual moral values and principles than the societal prescriptions. (Lamb et. al, 2005)

Ethics indeed is a subset of an individual's life that from time to time, people have learnt from their birth and is majorly influenced by cultural or ones' principles. Lamb et. al, (2005) suggested that morals or the principles are also the set of rules such as the rule of thumb method which is gradually developed from the societal or the cultural perspective. Culture also resemble to the socializing force that indeed emphasizes the do's and don'ts. Principles or the moral standards may also be reflected through the regulation of law affecting the socio-economic behavior.

Ethics may be defined as a moral obligation, a sense of responsibility and social justice. It is sort of a mirror that reflects ones character and to be more precise the character of any business firm with the presence of group of individuals. (Wiley, 1995). Ethics can also be put forward as a code of conduct which defines one's duties and responsibilities towards the business/task/human beings which is much beyond the requirements as per the law of any country. Therefore, to be precise, ethics

may be defined as a moral right or wrong with particular reference to the human activity/business firms. (Walton, 1997)

While Business Ethics has been defined as a range of criteria whereby human actions are judged to include such things as societal expectations; fair competition; the aesthetics of advertising and the use of public relations; the meaning of social responsibilities, reconciling corporate behavior at home with behavior abroad; the extent of consumer sovereignty, the relevance of corporate size, the handling of communications and the like (Walton, 1997).

Hunt and Vitell, (1986) developed the first total model explaining individual decisions concerning ethical issues in marketing. According to this model, perception of an ethical problem situation triggers the decision-making process, and the decision maker identifies alternatives qualified to resolve the ethical problem, as well as the consequences of these actions. In the next stage, evaluation takes place. Hereby, the individual refers, on the one hand, to higher moral obligations or duties (called deontological norms) to arrive at a deontological evaluation. On the other hand, he or she takes into consideration the probability of consequences for stakeholders, the desirability of these consequences, and the importance of the stakeholders affected, which lead to a teleological evaluation. Next comes what Hunt and Vitell, (1986) call the heart of the model (Srnrka, 2004). "These stages postulate that ethical judgment is a function of both deontological and teleological evaluations" (Hunt and Vitell, 1986). They further claimed that the ethical judgment impacts behavior through an intervening variable - intention (conceptualized as the likelihood that any particular alternative will be chosen). Since, however, according to the Hunt and Vitell, (1986) theory, intentions were also affected by teleological evaluations; they differed from ethical judgments (Srnrka, 2004). This means that an individual may perceive a particular alternative as being the most ethical one and, nevertheless, intend to choose another alternative because of certain preferred consequences (Hunt and Vitell, 1986). Intentions predict behavior. An evaluation of the consequences finally follows actual behavior. The result of this behavioral evaluation feeds back into the process through personal experiences, representing the major learning construct in the model (Srnrka, 2004).

"During the past decades, an increasing amount of attention has been devoted to ethics in business in general and marketing in particular" (Malhortra & Miller 1998). Today during the globalization era, marketing managers have become more sensitive in the ethics aspect; marketers pay more attention to customers. Most of them believe that customers and the public suppose that they act in an ethically and morally acceptable way. Most marketers express their moral commitment as well as the conviction that ethical conduct is mandatory to establish trust (Srnrka, 1997). "This is consistent with the general marketing theory, which holds that all exchanges are based on trust" (Kotler, 2003), and those conflicts are likely to result if buyer and seller are not in agreement with respect to their ethical mindsets (Lee, 1981).

A study conducted by Upadhyay and Singh, (2010) in the Indian context investigated the dilemma faced by today's corporate houses regarding embracing of ethics in business and attempted to establish from a macro point of view that ethical conduct is contributory towards the bottom line

growth. The paper suggested evaluating the performance of a business the frame of reference has to be changed. Further, it offered some tangible recommendations as to what corporate world ought to do in order to fit within the ethical standards or norms. While in the context of Turkey a study to test the “work values” inventory developed by Tevruz and Turgut and to utilize the concept in a model, which aimed to create a greater understanding of the work experience. The study examined multiple effects of work values, work-value congruence and work centrality on organizational citizenship behavior. In this respect, the study hypothesized that work values and work-value congruence predict organizational citizenship behavior through work centrality. Work-goal congruence test, Tevruz and Turgut’s work values inventory are administered along with Kanungo’s work centrality and Podsakoff et. al, (1990) organizational citizenship behavior test to employees working in Turkish SME’s. The study validated that Tevruz and Turgut’s work values inventory and the work-value congruence test were reliable and could be used for future research. The study revealed the mediating role of work centrality only for the relationship of work values and the responsibility dimension of citizenship behavior. Most important, this study brought in an important concept, work-value congruence, which enables a better understanding of work values and their relation to various attitudinal variables (Uçanok, 2009).

#### **ETHICS AND VALUES ON ORGANIZATIONAL CITIZENSHIP BEHAVIOUR:**

Ethical concerns are an important area in business practices and research endeavors in the field of organizational chain management. In particular, ethical concerns become evident in situations of asymmetric relationships across organizations. The need of the hour is to establish ethical codes, processes and performance measures in today’s corporate houses. In a prior research restricted parts of this idea across the organisations have been addressed from an ethical perspective but not the whole process (Moberg, 2003; Geraint, 2003; Kidd, 2003; Carter, 2000; Cooper et. al, 1997; Stainer, 1997). Nevertheless, there have been a few recent research that is dedicated to the ethical concerns in organizational chain management as a whole. For example, Svensson and Baath, (2008) introduced and described a conceptual framework of organizational chain management ethics based upon the automotive industry. Svensson, (2009) focuses on the transparency of organization to manage ethics based upon case illustrations across organizations in the fashion and telecom industries. The dilemma is that these ethical frameworks in this field are still nascent stage, where specific details are not provided on how to manage, monitor and evaluate ethical concerns across organizations. In fact there are multiple research topics that might be linked implicitly or explicitly to ethical concerns in across organizations, such as: chain management ethics (Svensson and Baath, 2008; Svensson, 2009), corporate social responsibility (Dyllick and Hockerts, 2002), sustainable supply network management (Young and Kielkiewicz-Young, 2001), supply chain environmental management (Lippman, 1999), green purchasing strategies (Min and Galle, 1997), environmental purchasing (Zsidisin and Siferd, 2001), green marketing (Crane, 2000), environmental marketing (Sheth and Parvatiyar, 1995), environmental marketing management (Peattie, 1995) and environmental product differentiation (Reinhardt, 1999), reverse logistics (Zikmund and Stanton, 1971), sustainability labeling schemes (De Boer, 2003), environmental management (Hoffman, 2000),

life-cycle assessment (Welford, 1999), sustainable supply chain management (Svensson, 2007), and ISO-14000-certifications (ISO, 2007).

There are various areas of ethical concerns across organizations. On an overall level there are both external and internal areas. Robin and Reidenbach, (1987) developed a multidimensional scale for improving evaluations on business ethics, while Hunt et. al, (1989) developed a corporate ethics scale. On the one hand, "business ethics" has an external emphasis considering the gap between organizations' ethical actions and behaviour in ongoing business practices and the marketplace's or society's perceptions of the organization's ethical actions and behaviour in their business practices (Svensson and Wood, 2004). "Corporate ethics", on the other hand, has an internal emphasis considering the gap between the management's ethical actions, behaviour and the staff's perception in ongoing business practices (Svensson and Wood, 2004).

It is not an easy task to determine what may be classified as ethical or unethical business practices across organizations as a whole. An essential factor is that there are expectations and perceptions that vary between organizations. These expectations and perceptions also vary in the marketplace and societies that surround organizations, and that influence the predominant belief or conviction of what may, or may not, be seen as ethical business practices. There are several areas that contribute to this variable situation. For example, government legislation may frame and define the criteria of ethical business practices across organizations. Developed western style democracies have laws that govern the expected and perceived actions and behaviours in business practices as they tend not to be self-regulatory (Carson, 2003; Davies, 2001; Piety, 2004; Rondinelli, 2003).

Historically, they have been able to impact societies' and their citizenry's expectations and perceptions of organizations' business practices (Grit, 2004; Whawell, 1998). Organizations are also confronted with societal expectations and perceptions beyond purely economic issues, such as environmental and social change responsibilities (Handelman, 2000; Handelman and Arnold, 1999). With the awakening of globalization has come a realization in first world economies that there are organizations who appear to have diverse sets of actions and behavioral standards depending upon the country in which they find themselves at the time (McMurtry, 2002; Sorensen, 2002).

## **CONCLUSION**

This paper has reviewed the existing literature on the impact of ethics and values on and has documented the empirical evidences from the various studies conducted, the authors of this paper have found that most of the studies have evaluated the impact on OCB in depended on work centrality and culture.

Most of the studies have been carried out in the US, while very limited studies have been conducted in Turkey and in Indian context. However, authors do find that recently some studies have been conducted for other regions as well including Asia. Though authors have found enough literature reflecting on work centrality and culture yet there is gap in terms of studies demonstrating evidence of

checking of robustness of methodologies used. It is suggested that ought a rich and diverse set of methodologies may be used to examine the impact of ethics and values by keeping in mind the aspect of triangulation so that the results may not be a threat to validity and reliability. All the studies that had been conducted by the previous researchers have used just questionnaires as a single tool thereby leading to a threat of reliability. The authors of this paper is of view that a parallel mixed method model design should be used that combine qualitative and quantitative approaches to data collection and analysis. The future studies especially in Indian context can organize several group interviews with a sample of respondents from different organizations as well the stakeholders so that the studies might uncover numerous notable findings in the context of varied results of the studies collated in the literature. Hence the authors opine that the future research has plethora of opportunities for scholars to advance on the understanding of the impact of ethics and values on Organizational Citizenship are directed as there has been found to be a mixed evidences.

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***If you pick right people and give them the opportunity to spread their wings – and put compensation as a carrier behind it – you almost do not have to manage them.***

***Jack Welch***

## **“A EMPIRICAL STUDY ON WELFARE FACILITIES AND ITS IMPACT ON EMPLOYEE’S PERFORMANCE AT HINDALCO, BELGAUM”.**

**Atul R Kadam<sup>1</sup>  
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Swapnil More<sup>3</sup>**

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### **INTRODUCTION**

According to James Todd, “Labour welfare means anything done for the comfort and improvement, intellectual or social of the employees and above the wages paid which is not a necessity of the industry.

In the present scenario the welfare facilities are very much important. Good facilities are one of the pillars of the development of the industry. It influences greatly on the employee satisfaction and productivity and efficiency of the workers. Welfare means faring or doing well. It is a comprehensive term, and refers to the physical, mental, moral and emotional well being of an individual. Further, the term welfare is a relative concept, relative in time and space. It there, varies from time to time, from region to and from country to country.

Harmonious welfare facilities will result in increasing efficiency, production and profit which will ultimately lead to higher wages, better working conditions and other fringe benefits to workers. For this purpose a sample was selected and survey was done with the help of questionnaire the result were analyzed for all the employees. The topic covers the various aspects of welfare facilities viz statutory and non-statutory measures and workers participation. All industries are made up of people and function through people, without people no industries exist. The resources for men, material and machinery are collected, co-coordinated and utilized through people. Human resource by themselves fulfil the objectives of an industries, they need to be united into a team. It is through the combined effects of people that material and monetary resource are effectively utilized for the attainment of common objectives without unity of any industry can achieve its goal. According to Urwick. L.F., “Business houses are made broken in the long run not by market, capital, patents or equipment but by men” Of all the resource, manpower is the only resource, which does not depreciate with the passage of time. Hence it is the duty of every employer to safeguard the resource because without human resource no industrial unit can survive. In every industrial unit the human resource requires some

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basic facilities inside the premises to perform the job properly. These basic facilities are termed as welfare measures in the Factories act 1948. The need for adoption of welfare measures as a means to increase the workers productive efficiency, to keep up these moral and for the maintain of industrial peace which has then realized by all section of the society. The main objectives of this provision are to provide basic welfare amenities to the workers, while working in the factories. Provision relating to welfare of the factory workers has been numbered in Section 42 to Section 50 of the factories act 1948. The study on effect of welfare measure on employee morale gives the management an indication of the level of satisfaction among the employees regarding the general working condition and the other facilities provided by the organization. This helps the management to know the general morale of the employees.

### **STATEMENT OF THE PROBLEM**

Management provides welfare facilities to its employees hence they want to find out whether the employees are satisfied with the welfare facilities provided by the company and also what is the impact of the facilities on the employee performance.

### **RESEARCH PROBLEM**

In view of the management problem, my research problem is headed by "A Empirical study on welfare facilities and its impact on employee's performance at Hindalco Ltd. Belgaum.

### **PURPOSE OF THE STUDY**

The main purpose of doing this research is to know what are welfare measures are given by the company to their employees and to study whether the employees are really satisfied with the measures. The study conducted at Hindalco Ltd. Belgaum. Deals with all the matters related to welfare facilities labour and its impact on employee satisfaction. It includes all the essential requirements of life and minimum basic amenities. The questionnaire for this research was framed considering those factors where corrective action can be taken at Hindalco Ltd. Belgaum.

### **OBJECTIVES OF STUDY**

- To study about the welfare facilities provided by company to the employee at Hindalco Ltd Belgaum.
- To study the impact of welfare facilities on employee performance.
- To know whether proper monetary and non monetary benefits are provided to employees.
- To suggest the suitable measure for improvement in welfare facilities.

**RESEARCH METHODOLOGY**

Data Source	Primary (Field Survey) Secondary (Books, Company folders, Internet etc)
Area Of Research	Belgaum
Research Approach	Survey method
Research Instrument	Questionnaire
Sample Plan	Personal interview
Sample Unit	Workers of Hindalco
Sampling Method	Convenient Random sampling
Sample Size	100 units
Data Analysis Method	SPSS software

**DATA ANALYSIS AND INTERPRETATION**

Q1) The infrastructure provided to me in my company is enable me to do job better.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	62	62.0	62.0	62.0
Agree	34	34.0	34.0	96.0
Neither agrees Nor disagree	3	3.0	3.0	99.0
Disagree	1	1.0	1.0	100.0
Total	100	100.0	100.0	

**Interpretation-** 96% of the employees were happy with the infrastructure of the company, 3% where in two minds over this question and 1% were against it.

Q2) I get material & equipment at a right time & right place.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	53	47.7	53.0	53.0
	Agree	25	22.5	25.0	78.0
	neither agree nor disagree	11	9.9	11.0	89.0
	Disagree	10	9.0	10.0	99.0
	Strongly disagree	1	.9	1.0	100.0
	Total	100	100	100.0	

**Interpretation-** 78% of the employees were happy with the fulfilment of the required material in the time were 11% didn't approve or discarded it and whopping 11% disagreed to it.

Q3) The safety measures in my organization are good.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	75	75.0	75.0	75.0
	Agree	22	22.0	22.0	97.0
	Neither agree nor disagree	1	1.0	1.0	98.0
	Disagree	2	2.0	2.0	100.0
	Total	100	100.0	100.0	

**Interpretation-** 97% of the employees were happy with the safety measures in the organization, 1% were not sure and 2% were not happy.

Q4) My grievance & complaints handled in time to my satisfaction.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	30	30.0	30.0	30.0
	Agree	64	64.0	64.0	94.0
	Neither agrees nor disagree	4	4.0	4.0	98.0
	Disagree	2	2.0	2.0	100.0
	Total	100	100.0	100.0	

**Interpretation-** About 94% of the employee's aid that their grievance & complaints handled in time to their satisfaction, 4% neither agreed nor disagreed where in 2% disagreed.

Q5) The recreational facilities provided in community centre & clubs are good.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly agree	47	47.0	47.0	47.0
Agree	48	48.0	48.0	95.0
Neither agree nor disagree	3	3.0	3.0	98.0
Disagree	2	2.0	2.0	100.0
Total	100	100.0	100.0	

**Interpretation-** 95% of the employees were happy with the recreational facilities provided in community centre & clubs, 3% were not sure and 2% of lot disagreed to it.

Q6) The cultural activities are good.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly agree	58	58.0	58.0	58.0
Agree	40	40.0	40.0	98.0
Neither agree nor disagree	2	2.0	2.0	100.0
Total	100	100.0	100.0	

**Interpretation-** 98% of the employee were happy with the various cultural activities taken by the organisation and 2% were in two minds but no one was unhappy with it.

Q7) The communication meeting in the canteen is useful.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly agree	55	55.0	55.0	55.0
Agree	36	36.0	36.0	91.0
Neither agree nor disagree	5	5.0	5.0	96.0
disagree	4	4.0	4.0	100.0
Total	100	100.0	100.0	

**Interpretation-** 91% of the employees were on side that. The communication meeting in the canteen is useful, 5% neither agreed nor disagreed where in 4% disagreed.

Q8) The welfare facilities provided in my department are adequate and well maintained.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly agree	49	49.0	49.0	49.0
Agree	40	40.0	40.0	89.0
Neither agree nor disagree	10	10.0	10.0	99.0
Strongly disagree	1	1.0	1.0	100.0
Total	100	100.0	100.0	

**Interpretation-** 89% employees said welfare facilities provided in my department are adequate and well maintained where 10% were on either sides and 1% were opposing it.

**Q9) The transport facilities are good and timely.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly agree	59	58.4	59.0	59.0
Agree	31	30.7	31.0	90.0
Neither agree nor disagree	9	8.9	9.0	99.0
Disagree	1	1.0	1.0	100.0
Total	100	100	100.0	

**Interpretation-**90% of the employees said they are happy with the transport facility where 9% were in two minds and 1% were not at all happy.

**Q10) The medical facilities provided to me are good.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly agree	55	54.5	55.0	55.0
Agree	41	40.6	41.0	96.0
Neither agree nor disagree	3	3.0	3.0	99.0
Strongly disagree	1	1.0	1.0	100.0
Total	100	100	100.0	

**Interpretation-** 96% of the employees were happy with the medical facilities provided by the employer, 3% neither agreed or disagreed to it and 1% were unhappy

**Q11) The canteens facilities provided to me are good.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	17	16.8	17.0	17.0
	Agree	41	40.6	41.0	58.0
	Neither agree nor disagree	14	13.9	14.0	72.0
	disagree	17	16.8	17.0	89.0
	Strongly disagree	11	10.9	11.0	100.0
	Total	100	100	100.0	

**Interpretation-**58% of the employees were happy with the canteen facilities, 14% were in two minds where in 28% were not at all happy with those facilities.

**Q12)I satisfied with Belgaum unit,as place of work.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong agree	53	52.5	53.0	53.0
	Agree	45	44.6	45.0	98.0
	Disagree	2	2.0	2.0	100.0
	Total	100	100	100.0	

**Interpretation-** 98% of employees were happy with their place of work i.e. city and 2% were unhappy about it.

**Q13) My supervisor spends adequate time on my development.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	48	47.5	48.0	48.0
	Agree	42	41.6	42.0	90.0
	Neither agree nor disagree	6	5.9	6.0	96.0
	Disagree	3	3.0	3.0	99.0
	Strongly disagree	1	1.0	1.0	100.0
	Total	100	100	100.0	

**Interpretation-**90% of the employees said that their respective supervisors gave them adequate time for development, 6% were on the either sides and 4% disagreed to it.

**Q14) I do get full cooperation from the other department.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	32	31.7	32.0	32.0
	Agree	58	57.4	58.0	90.0
	Neither agree nor disagree	8	7.9	8.0	98.0
	Disagree	2	2.0	2.0	100.0
	Total	100	100	100.0	

**Interpretation-** 90% employees said they get co-operation from other departments, 8% were on both the sides where in 2% disagreed.

**Q15) I get clear communication from the Notice board.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	55	54.5	55.0	55.0
	Agree	38	37.6	38.0	93.0
	Neither agree nor disagree	6	5.9	6.0	99.0
	Disagree	1	1.0	1.0	100.0
	Total	100	100	100.0	

**Interpretation-** 93% of employees were through with the communication being made by notice board, 6% were in two minds and 1% were not happy with it.

## **FINDINGS**

An organisation should provide a hygienic and satisfactory environment to its employees. While doing the survey for Hindalco Company we tried to found out certain parameters and check the companies approach towards it.

1. 96% of the employees were happy with the infrastructure of the company, 3% were in two minds over this question and 1% voted against it.
2. 78% of the employees were happy with the fulfilment of the required material in the time Where in 11% didn't approve or discarded it and 11% disagreed to it.
3. 97% of the employees were happy with the safety measures in the organization, 1% were not happy with it.
4. About 94% of the employee's aid that their grievance & complaints handled in time to their satisfaction, 4% neither agreed nor disagreed where in 2% disagreed.
5. 95% of the employees were happy with the recreational facilities provided in community centre & clubs, 3% were not sure and 2% of lot disagreed to it.
6. 98% of the employees were happy with the various cultural activities taken by the organisation and 2% were in two minds but no one was unhappy with it.
7. 91% of the employees were on side that. The communication meeting in the canteen is useful, 5% people neither agreed nor disagreed where in 4% disagreed.
8. 89% employees said welfare facilities provided in my department are adequate and well maintained where 10% were on either sides and 1% was opposing it.
9. 905 of the employees said they are happy with the transport facility where 9% were in two minds and 1% was not at all happy.
10. 96% of the employees were happy with the medical facilities provided by the employer, 3% neither agreed nor disagreed to it and 1% was unhappy.
11. 58% of the employees were happy with the canteen facilities, 14% were in two minds where in 28% were not at all happy with those facilities.
12. 98% of employees were happy with their place of work i.e. city and 2% were unhappy about it.
13. 90% of the employees said that their respective supervisors gave them adequate time for development, 6% were on the either sides and 4% disagreed to it.
14. 90% employees said they get co-operation from other departments, 8% were on both the sides where in 2% disagreed.
15. 93% of employees were through with the communication being made by notice board, 6% were in two minds and 1% was not happy with it.

## SUGGESTIONS

Hindalco as an organisation is doing a good job for its employees. During our research we found out that majority of the employees were happy with the working environment still as a part of research we have these suggestions;

1. Company should try to make sure that the required material for the employees should be available in the stock. This will play as a competitive advantage for the company itself.
2. Company should provide healthy and hygienic atmosphere in the premises.
3. Should also focus on arranging various employee friendly and welfare activities.
4. More attention is required towards the canteen facilities and medical facilities.
5. Transportation service should be made more flexible and friendly.
6. Company should also promote employee development and department gelling seminars.

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***Make your top Manager rich and they will make you rich.***

***Robert H. Johnson***

## **INNOVATIONS AFTER LIBERALIZATION IN INDIAN AUTOMOBILE INDUSTRY: TATA'S NANO 'A REAL INNOVATIVE EXPERIENCE'**

Priyanka Srivastava\*

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### **ABSTRACT**

*With the relaxations in previous restrictions, post liberalization has brought an era of competition, which subsequently brought innovation in action.*

*The Indian automotive industry has witnessed a boom after liberalization, as the manufacturing facilities in India have grown progressively.*

*The article studies, how liberalization in India has brought innovation in the lime light and made it a vital factor to survive with competition. It further, attempts to explore how this innovation is adopted by the Indian Automobile industry, taking an example of TATA's NANO, which had aroused worldwide attention, curiosity and confidence as well made the world believe in competency of Indian talent.*

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### **Post liberalization and innovation in India**

Innovation and competition have a parallel affiliation. After liberalization in India, there were relaxations in the government restrictions and laws. These relaxations gave freedom to both, Indian as well as the global companies, the Indian companies to expand their operations and units outside India and the global firms to expand their business in India. New procedures were adopted to expand the economy to global competition. These included a set of economic policies intended to eliminate the industrial licensing, reducing protection for domestic products, allowing foreign direct investment, and minimizing government controls. The entry of these global firms created a lot of competition in the Indian market for the local firms, and to withstand with that competition, innovation became inevitable. This meant that the firms had now to obtain competitive edge through innovation.

Innovation can be achieved via improved products, process, technology and skills, etc. and also at the same time, keeping costs towards the lower side. Innovation is broadly defined to include creation and commercialization of state-of-the-art knowledge as well as diffusion and absorption of existing knowledge. (Mark A. Dutz, 2007).

### **Innovation adopted by Automobile industry**

After the liberalization, India has witnessed a boom in Auto vehicle as well as the auto component industry (Mishra and Sahay, 2008). In the car segment especially, several global players such as Hyundai, GM, Ford, Peugeot, Mitsubishi, Honda and Fiat entered into the market. The Indian

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automotive market was benefited with the opening up of India's economy and the Indian automotive market became a buyer's market during this period.

According to 2007-08 annual report by Ministry of Heavy Industries and Public Enterprise, The automobile industry had an investment of about Rs. 50,000 crore in 2002-03 which has gone upto Rs. 80,000 crore by the year 2007. The automotive industry has already attained a turnover of Rs. 1,65,000 crore (34 billion USD) 2007. The industry provides direct and indirect employment to 1.31 crore people. The contribution of the automotive industry to GDP has risen from 2.77% in 1992-93 to 5% in 2006-07 2007, which indicates the major contribution of the automotive industry in the growth of the nation .Not only this, the industry is also making a contribution of 17% to the kitty of indirect taxes of the Government. This reflects on the swift ride of the automotive industry since de-licensing.

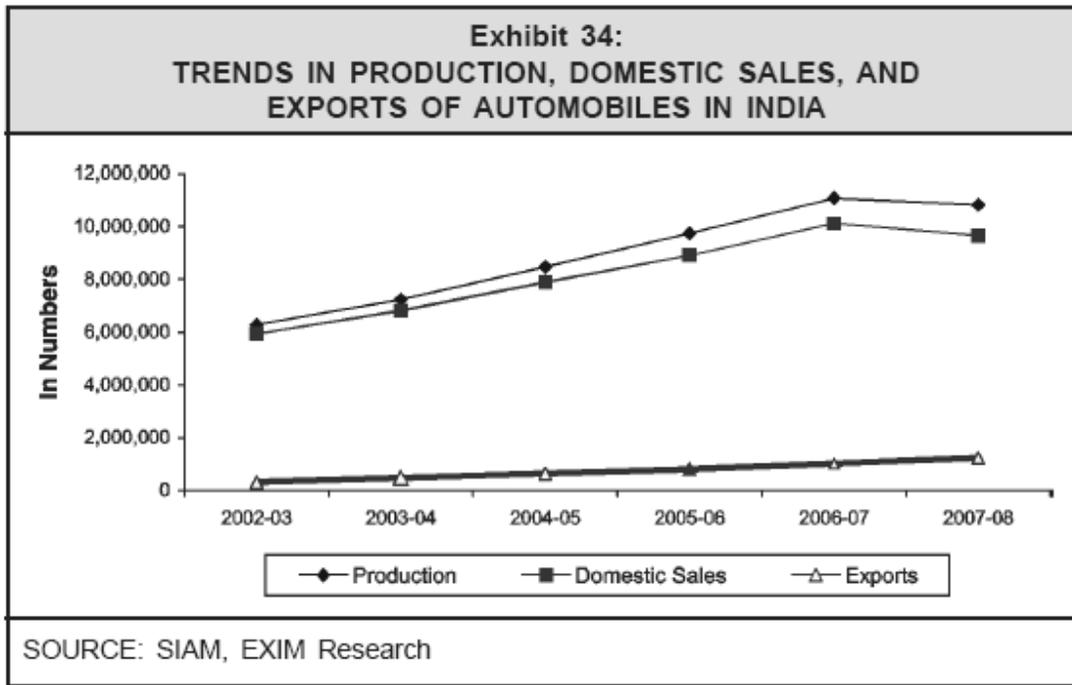
Today, many auto manufacturers globally have decided to set up their manufacturing and sourcing operations in India to realize the low cost advantage of India. (Mishra and Sahay, 2008) .According to the 2002-03 Economic Survey published by the Ministry Of Finance, India is well on its way to being one of the world's major automobile manufacturing hubs.

The Indian automobile industry at present is ranked first in the world in the production of three wheelers, second in the production of two wheelers, fourth in the production of commercial vehicles and ninth in the production of passenger vehicles (Mr. Ravi Kant ,2007 September 4)

The Indian automotive industry, in the last few years has grown tremendously. Not only it has improved on its efficiency but has also kept a track on reducing the cost, which is a very important factor in Indian markets. With its fresh found confidence, it has stretched itself beyond Indian boundaries and created a remarkable mark in different countries around the world.

If we glance at the past trends in Production, Domestic Sales and Exports during the period 2002-03 to 2007-08 in the figure given below, the production and domestic sales of various categories of automobiles have grown slowly and steadily. We can see an incessant growth in the last few years, except for the year 2007-08. Exports as a percentage of production has also improved during this period; the improvement in exports as a percentage of production from 4.89% in 2001-02 to 11.43% in 2007- 08 shows the growing potential of the Indian automobile industry to match up with the global standards.

The figures quoted below, reveal that the Indian automotive market showed a healthy growth rate in the last 6-7 years and became a source of pull to many foreign automobile companies and investors. With the entry of these foreign companies, the Indian market has not only faced increased industry competition, but it has also elevated customer expectations about the product. The concern over quality and reliability of the product has increased as the customers now have more products to compare. This enforced the Indian companies to innovate and initiate in the direction of introducing novel and interesting products .For the Indian automotive industry; this was the time, when Innovation became a prominent feature.



Source: Export-Import Bank of India, Occasional Paper No. 129.

**How innovation precipitates: Tata’s Nano:**

Among the automotive companies, Tata Motors is the largest automobile company in India, with revenues exceeding \$8.8 billion (Tata Nano, 2008). The company is a market leader for commercial vehicles and stands amongst the top three passenger vehicle companies with innovative products in numerous market segments. More than four million Tata vehicles have been on the road since the first rollout in 1954. (Tata Motors 2009)

A fine example of innovation by this company is ‘**Nano**’ the “people’s car”, which has aroused worldwide attention, curiosity and confidence as well made the world believe in competency of Indian talent. The world is talking high of Nano, “The Tata Nano showed India’s ability to innovate. It has increased India’s stature in the global automotive stage,” IBM Automotive Industry Vice-President Global Leader Sanjay Rishi told *Economic Times*.

When we think of something new or innovative, a lot of questions come to our minds. These questions finally become the basis for future innovation Need for something, how to get more from something less in hand, how to make things better, persuade us towards innovative ideas. The case with Nano is somewhat similar; the trigger for the idea came from Mr. Ratan Tata’s question to himself, towards the on-road safety of the middle class Indian family.

Few years ago, when Mr Ratan Tata first thought about NANO an affordable, mass-market car, was the reaction same as it is now? No, there were few who took interest and others, with reactions ranging from surprise to uncertainties. Any innovation to take the final shape meets with doubts, challenges and roadblocks. What you need is interest, determination, belief in your idea and ability to think beyond challenges. Talking of Nano, the idea in itself is already a success even before the car hits the market, going by the eagerness with which other big names are excited and worried.

The story of Nano would not be complete without taking the names of those who were there behind TATA, to support the idea and who had turned the idea into the dream car. The main hook, man in charge of the small car project was **Girish A. Wagh**, barely 37 years old; he was also very closely involved with the design of the Ace, a four-wheeler that serves as a load carrier. **E. Balasubramoniam** the Head of Sourcing for the project, 45 years old and was earlier with Maruti Udyog (now Maruti Suzuki). **Nikhil Jadhav**, 29, possibly the youngest member of the team and the designer on the small car project. Last but not the least Mr. **Abhay M. Deshpande**, Assistant General Manager-Vehicle Integration at the ERC at Tata Motors.

Can we graph something from the above story? Yes! An idea poured into the mind of the fresh budding managers, blended with the experienced hands, made innovation happen.

The reason why the car's development is an historical event is because it has every potential to be an inclusive innovation. For the first time in India, those on the border of the middle-class can hope to fulfill their dreams of owning a car. By this, the car will cover a very huge segment of the Indian population, as the largest lot is the middle-class. It will prove in the very same way, as the mobile revolution brought in communication in India, making a cell phone affordable to even the lower middle class and all. For this reason alone, the Nano is the most significant innovation of India so far, competing with others on price and value to customers.

Nano has not only crafted its place on the auto industry map of the world but it's a story to be memorized. It's an innovative experience that has enlightened today's India—an enthusiastic, determined nation with a blend of fresh technical and managerial talent, a desire for low costs and value, and talented young managers aiming wide corporate horizons with a hunger to innovate.

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***Surround yourself with the best people you can find,  
delegate authority, and don't interfere as long as the  
policy you've decided upon is being carried out.***

***Ronald Reagan***

## ADVERTISING AND ITS ETHICAL DILEMMA

Debanjan Banerjee<sup>1</sup>

Reeti Debnath<sup>2</sup>

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### ABSTRACT

*The importance of advertising is consistently on the increase in modern society. Just as the media of social communication themselves have enormous influence everywhere, so advertising, using media as its vehicle, is a pervasive, commanding force shaping attitudes and behavior in today's world.*

*The area of advertising and its management are extensively broad and diverse. In general terms, of course, an advertisement is simply a public notice meant to convey information and invite patronage or some other response. As a matter of fact, advertising has two basic purposes: to inform and to persuade, and while these purposes are distinguishable both very often are simultaneously present. Advertising rules in these days. Many are following it. Being a ruler and the leader it should possess some transparent image to create an example. To make the profession as a noble one it should carry some ethics otherwise the credibility would be in stake for long run.*

**Key words:** Advertising, Advertisers, Advertising Management, Ethics, Consumer, Brand, Target, Audience, Research, Brand Equity, Brand Ambassador, Brand Management.

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### INTRODUCTION

It is a paid form of communication. Really effective, and indispensable too. The universe is revolving on its axis. Many industries are dependent on its allure. Media, the most buzzing industry in today's millennium is the sharpest victim of its enslavement.

All these praise are aimed to "Advertising" – the key subject in today's global village where convergence is the destiny.

Yes, Advertising rules in these days. Many are following it. Being a ruler and the leader it should possess some transparent image to create an example. To make the profession as a noble one it should carry some ethics otherwise the credibility would be in stake for long run. No doubt, more aspirations on you.

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Interestingly it has been observed that in many a situation the profession has accused of ethical violations. Sometimes it proved to be true. The following words will try to give a deep insight of the ethical predicament of “Advertising” as a profession.

### **NEED FOR ETHICS**

The importance of advertising is consistently on the increase in modern society. Just as the media of social communication themselves have enormous influence everywhere , so advertising, using media as its vehicle, is a pervasive, commanding force shaping attitudes and behavior in today’s world.

The area of advertising is extensively broad and diverse. In general terms, of course, an advertisement is simply a public notice meant to convey information and invite patronage or some other response. As a matter of fact, advertising has two basic purposes: to inform and to persuade, and while these purposes are distinguishable both very often are simultaneously present.

Moreover advertising is not the same as marketing or public relations. In many cases, though, it is a technique or instrument employed by one or both of these.

Advertising can be very simple a local, even a neighborhood phenomenon – or it can be very intricate involving sophisticated research and multimedia campaigns that span the globe. It differs according to its intended audience. Naturally, for example, advertising aimed at children raises some technical and moral issues significantly different from those raised by advertising aimed at competent adults.

Advertising are selective about the values and attitudes to be fostered and encouraged, promoting some ignoring others. This selectivity gives the lie to the notion that advertising does no more than reflect the surrounding culture. For example, the absence from advertising of certain racial and ethnic groups in some multi – racial or multi – ethnic societies can help to create problems of image and identity, especially among those neglected, and the most inevitable impression in commercial advertising that an abundance of possessions lead to happiness and fulfillment can be both misleading and frustrating.

Advertising also has an indirect but powerful impact on society though its influence in media. Many publications and broadcasting operations depend on advertising revenue for survival. This often is true of religious media as well as commercial media. For their part, advertisers naturally seek to reach audiences; and the media, striving to deliver audiences to advertisers, must shape their content so to attract audiences of the size and demographic composition sought. This economic dependency of media and the power it confers upon advertisers carry with its serious responsibilities for both.

### **THE BENEFITS**

Colossal human and material resources are devoted to advertising. We cannot move a single inch without this, so that Pope John Paul VI lamented, “No one now can escape the influence of advertising.” Its benefits are manifold from economic to cultural, moral to religious.

Advertising can play an important role in the process by which an economic system guided by moral norms and responsive to the common good contributes to human development. It is an essential part of market economies, which today either exist or are emerging in many parts of the world. In such a system advertising can be a useful tool for sustaining honest and ethical responsible competition that contributes to economic growth in the service of authentic human development.

Advertising does this, among other ways, by informing people about the latest desirable new products and services and improvements in existing ones, helping them to make informed, prudent consumer decisions, contributing to efficiency and the lowering of prices and further stimulating economic progress through the expansion of business and trade. All of these can together contribute to the creation of new employment opportunities, higher incomes and a more decent and humane way of life for all. It further helps pay for publications, programming and productions.

Advertisement can itself contribute to the betterment of society by uplifting and inspiring people and motivating them to act in ways that benefit themselves and others. Advertising can brighten lives simply by being witty, tasteful and entertaining. Few advertising stuffs are instances of popular art, with an exuberance and elegance all their own.

In many cases, too, benevolent social institutions, including those of a religious nature and sometimes government use advertising to communicate their messages – messages of faith, patriotism, tolerance, compassion, neighborly services, charity towards the needy, concerning health, education and many more helpful messages that educate and enlighten the society in a variety of beneficial ways.

Too many praises are detrimental; complacency is an impediment for growth. An old saying but true indeed, and aptly applicable for this keyword of the millennium “Advertising”

### **THE HARMS DONE**

There is nothing intrinsically good or evil about advertising. It is a tool, an instrument; it can be used well, and it can be used for wrong purposes.

If harmful and utterly useless goods and services are touted to people, if false assertions are made about goods for sale, if less than admirable human tendencies are exploited, those responsible for such advertising harm society and forfeit their good name and credibility.

Like its benefits it can be immensely injurious for economy, culture and religion if wrongly used and falls in wrong hands.

Advertising can betray its role as a source of information by misrepresentation and by withholding relevant facts. Sometimes, too, the information function of media can be subverted by advertisers' pressure upon publications or programs not to treat of questions that might prove embarrassing or inconvenient. In many a case, advertising is used not simply to inform but to persuade and motivate – to convince people to act in certain ways; but certain products or services, patronize certain institutions, and the like. This is where particular abuses can occur.

The practice of brand related advertising can raise serious problems. Often they are only negligible differences among similar products of different brands, and advertising may attempt to move people to act on the basis of irrational motives like brand loyalty, status, fashion, sex appeal etc. , instead of presenting differences in product quality and price as bases for rational choice.

It is genuine that judicious use of advertising can stimulate developing countries to improve their standard of living. But serious harm can be done them if advertising and commercial pressure become so irresponsible that communities seeking to rise from poverty to a reasonable standard of living are persuaded to seek this progress by satisfying wants that have been artificially created.

Political advertising can support and assist the working of the democratic process, but it can also thwart it. This happens when, the cost of advertising limit political competition to wealthy candidates or groups, or requires that office seekers compromise their integrity and independence by over dependence on special interests for funds.

Advertising also can have a corrupting influence upon culture and cultural values. The indirect but powerful influence exerted by advertising upon the media of social communications that depend on revenues from this source points to another sort of cultural concern.

More often, advertising contributes to the loathsome stereotyping of particular groups that places them at a disadvantage in relation to others. This often is true of the way advertising treats women; and the exploitation of women, both in and by advertising, is a frequent unpardonable abuse.

Advertising can be tasteful and in conformity with high moral standards, and occasionally even morally uplifting, but it also can be vulgar and morally degrading. Frequently it deliberately appeals to such motives as envy, status seeking and lust. Today, many advertisers consciously seek to shock and titillate by exploiting content of a morbid, perverse and pornographic nature.

## **TRUTHFULNESS AND ADVERTISING**

Is it synonymous? Most of the instances, no. Many believes, advertising is not at all truth, may be it is partially truthful but not to a whole extent. The stigma is there.

Generally it can be said, though, the problem of truth in advertising is somewhat more subtle: it is not that advertising says what is overtly false, but it can distort the truth by implying things that are not so or withholding relevant facts.

To be certain, advertising, like other forms of expression, has its own conventions and forms of stylization, and these must be taken into account when discussing truthfulness. People take for granted some rhetorical and symbolic embellishment in advertising; within the limits of recognized and accepted practice, this can be allowable.

But it is a fundamental principle that advertising may not deliberately seek to deceive, whether it does that by what it says, by what it implies, or by what it fails to say. The proper exercise of the right to information demands that the content of what is communicated be true, impartial and, within the limits set by justice and charity.

## THE DIGNITY OF THE HUMAN PERSON

There is an imperative requirement that advertising should respect the human person, his right to make a responsible choice, his inside freedom; all these goods would be inflicted if man's lower inclinations were to be exploited, or his capacity to reflect and decide compromised.

These abuses are not merely hypothetical possibilities but realities in much advertising today. Advertising can violate the dignity of the human person both through its content – what is advertized, the manner in which it is advertised and through the impact it seeks to make upon its audience.

This abuse is especially true and sharp where particularly vulnerable groups or classes of persons are concerned; children and young people, the elderly, women, the poor, the culturally disadvantaged.

Much advertising is directed at children apparently tries to exploit their credulity and suggestibility, in the hope that they will put pressure on their parents to buy products of no real benefit to them. Advertising like these offends against the dignity and rights of both children and parents; it intrudes upon the parent – child relationship and seeks to manipulate it to its own base ends. Sex and women is an important item of today's advertising. Women are often used as a sex symbol to attract the product and service within advertising.

## CONCLUSION

Above all, however, where freedom of speech and communication exists, it is largely up to advertisers themselves to ensure ethically responsible practices in their profession. Besides avoiding abuses, advertisers should also undertake to repair the harm sometimes done by advertising, insofar as that is possible: for example, by publishing corrective notices, compensating injured parties, increasing the quantity of public service advertising, and the like. This question of preparations' is a matter of legitimate involvement not only by industry self – regulatory bodies and public interest groups, but also by public authorities.

Unquestionably the profession has many dimensions and is made with too many ingredients like Salt, Sour, Sweet and Pungent. All these are essential for society's anatomy. The only problematic part is a proper blending.

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## ETHICS IN BUSINESS MANAGEMENT

SHIVAKUMAR R. SHARMA\*

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### ABSTRACT

*Ethics is a branch of philosophy which deals with values relating to human conduct. It deals with aspects regarding the rightness and wrongness of certain actions and the goodness and badness of the motives and ends of such actions.*

*Morality pertaining to the business management world is known as **management ethics**. While each company has a different ethical standard, management ethics by and large are the same in every industry.*

*One must live uncompromisingly the 'dharmic' ('dharma' may encompass ideas such as duty, vocation, religion and everything that is considered correct, proper or decent behaviour) / righteous way of life. Productivity, profit, benefits are no longer goals but consequences and rewards. They are just metrics that measure the progress of the community toward the ultimate goal of ever improving life conditions for all, the majority and not only a few. Adequate values and ethics do make businesses sustainable.*

**Keywords:** ethics, morals, values, virtue, business, management.....

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### INTRODUCTION

Ethics is a branch of philosophy which deals with values relating to human conduct. It deals with aspects regarding the rightness and wrongness of certain actions and the goodness and badness of the motives and ends of such actions<sup>1</sup>. Descriptive ethics or morals is a study of human behaviour as a consequence of beliefs about what is right or wrong, or good or bad, in so far as that behaviour is useful to or effective in society. In a sense, morals are the study of what is thought to be right and what is generally done by a group, society, or a culture. In general, morals correspond to what actually is done in a society. The first requisite is to be moral (IV.220)<sup>2</sup>. Morality exists first; later religion codifies it (VII.58)<sup>2</sup>.

### CONCEPT OF ETHICS

What is the meaning of "ethics"? It is difficult to pin down the correct or absolute meaning of ethics as the views many people have about ethics are different. What may be ethical for one person may not be ethical for another. So, what is ethics? Ethics comprises of two things. First, ethics refers

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to well-founded standards of right and wrong that prescribe what humans ought to do. It is usually in terms of rights, obligations, and benefits to society, fairness, or specific virtues. It refers to those standards that impose the reasonable obligations to refrain from example - rape, stealing, murder, assault, slander, and fraud. Ethical standards include virtues of honesty, compassion, and loyalty. Ethical standards include standards relating to rights, such as the right to life, the right to freedom from injury, and the right to privacy. Such standards are adequate standards of ethics because they are supported by consistent and well-founded reasons. It therefore encompasses ideals or the ideal standard of living life in terms of morals and behaviour.

Secondly, ethics refers to the study and development of one's ethical standards. The so called above mentioned feelings, laws, and social norms can deviate from what is ethical. So it is necessary to constantly examine one's own set of morals and standards to ensure that they are reasonable and well-founded. Therefore, ethics is the continuous effort of studying our own moral beliefs and our moral conduct, and striving to ensure that we, and the institutions we help to shape, live up to reasonable and or ideal norms or standards<sup>3</sup>.

Morality pertaining to the business management world is known as **management ethics**. While each company has a different ethical standard, management ethics by and large are the same in every industry. At times there exists an unwritten code on ethical understanding, but literal ethical documents also exist.

### **IMPORTANCE OF ETHICS IN BUSINESS MANAGEMENT**

The main goal of management ethics is to treat all employees and customers justly and fairly. It is believed that by following a moral and ethical code, business will improve. When a management team adheres to management ethics, employees become motivated and a workplace environment becomes motivational.

When applied to everyday business, acting ethically means adhering to law, competing with others in an honest manner, and performing daily tasks without any element of deceit. Many companies around the globe update written codes of conduct as a result of past corporate scandals and problems. It is not uncommon for a company to update this document on a yearly basis. After a code of conduct document has been updated, each staff member must read and understand the document. Further, all employees must adhere to the updated codes of conduct, and those that do not follow these regulations are often dismissed. Although managers must follow the same codes of conduct as employees, these individuals have additional obligations.

**Almost every decision that is made on a daily basis involves an ethical decision.** Managers must keep this in mind at all times. By setting a good ethical example for other employees, managers can easily encourage all employees to follow the same ethics. Sometimes, different cultures respect different ethical rules. Thus, any person who decides to move to another country may have to adapt to cultural, and workplace, ethical differences. In every manner, management ethics helps to

keep workplace activities civil, legal, and moral<sup>4</sup>. The foundation (must be) this perfect morality (IV.221)<sup>12</sup>.

## REVIEW OF LITERATURE

**Khera Shiv (2003)** - The author states that opinions may vary from culture to culture. But values such as fairness, justice, integrity, trustworthiness and commitment are universal and eternal. They have nothing to do with culture. He further states that legality and ethics are not the same. What may be ethical may or may not be legal and vice versa. Legality establishes minimum standards, whereas ethics and values go beyond those standards. Ethics and values are all about fairness and justice. They are not about pleasing or displeasing people. They are all about respecting people's needs and rights<sup>6</sup>.

**Potty Harikrishnan (2010)** - Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. According to 'Arthashashtra', "In the happiness of his subjects lies his happiness; in their welfare his welfare; whatever pleases himself he shall not consider as good, but whatever pleases his subjects he shall consider as good. Hence the king shall ever be active and discharge his duties; the root of wealth is activity, and of evil it's reverse"<sup>5</sup>.

**Pillai R (2011)** – The author states that Chanakya emphasized the importance of having a sound philosophy in order to become a good leader. The author quotes Chanakya's 'Arthashashtra' "Philosophy is ever thought of as the lamp of all sciences, as the means of all actions (and) as the support of all laws (and duties)" (1.3.12). The root of any business is its core value system – its philosophy. Referring to Corporate Social Responsibility (CSR), the author quotes Chanakya's 'Arthashashtra' "And those who are without relations have to be necessarily maintained" (1.12.1). CSR is not a new concept and it has been followed and practiced by kings for thousands of years. Chanakya makes it very clear that it is the government's basic duty to maintain a society's well being, thus today companies cannot shirk their responsibilities towards CSR. Thus Chanakya instills in us the importance of ethics in business<sup>9</sup>.

## STATEMENT OF THE PROBLEM

Ethical choices reflect a clear choice between right and wrong. Our conscience hurts when making an unethical choice. Therefore what is ethical is righteousness. The 'Bhagavad Gita' refers to 'dharma' that is the right ordering that supports the cosmos. It is equivalent to natural law, social order, the sense of duty, and the right ordering of the human heart (i.e., conscience). Dharma is equivalent to natural law and conscience<sup>7</sup>.

Being a nice person is not the same thing as being a good and ethical person. A person can be socially nice and yet be a cheat and a liar. That makes him nice but unethical. However, niceness reflects social respectability. Nice does not mean good. There are some who believe that ethics

cannot be generalized but vary with every given situation, and therefore they come up with justifications and keep changing their ethics from situation to situation and person to person. This is called situational ethics and is ethics of conveniences rather than conviction.

Our standards of ethics is revealed by the advisors we hire, the suppliers we choose, the buyers we deal with, as much as how we spend our leisure time. Just because a majority of people agree on something wrong does not make a wrong right. A society becomes good or bad based on the ethical values of its citizens. What gives a society its strength is the ethical values of its citizens<sup>6</sup>.

This study is based on the formulation of the following null hypotheses ( $H_{01}$ ) that ethics reflect a clear choice between right and wrong and that organizations, employees and citizens lead an ethical, honest, moral and virtuous life in society.

### **OBJECTIVES OF THE STUDY**

Do business strategies retain virtue as a component of their plans? The 'politically correct', decision which is not at all synonymous with the 'morally acceptable', replaced this concept to make the manager or the businessman feel comfortable when he takes decisions. Social enterprises or humanitarian projects, even, do behave politically correct and not morally. And some people categorize this as "all part of doing business". A lot of disrespect goes on in upper management for the sake of wanting to have the last word. People need to remember that our self worth is more important than our net worth. Many people feel they run their business on values based on their religious beliefs. Many of these people are the same people who feel that they will buy a second home and then tell their employees that they cannot give them a pay increase. If a business runs on morals, it must make sure that its morals include treating all employees / people equally! How can religion or morality begin without renunciation itself? (III.343)<sup>2</sup>. Morally and ethically run businesses must be such that it is transparent to all stakeholders and the society. It is said that to motivate an employee - treat him like a family member and then give him responsibility; same is true to an ethical business - consider all the stakeholders including the society as part of one's family (business) as one takes a correct decision for one's family with everyone's consent (including oppositions and challenges) for the betterment of all including the society as a whole. Self – abnegation is the centre of all morality (II.83)<sup>2</sup>. One therefore ultimately questions about what is the aim of the business? Is it solely to make profits / money? At the individual level probably, or frequently, but at the community level, is it so true? Is doing business above all goals?

If we believe that trading, doing business, is a vector of progress for humanity, a way to exchange best practices, better goods, better processes, improvements, any kind of innovation, that leads to a better welfare for all, then, should not we consider that, regardless of any religious consideration (but it may not contradict either), doing good sounding business should always be in regard to providing an additional value (not speaking about money here) for our fellow (mankind)? Ethics is unity; its basis is love (I.432)<sup>2</sup>. That might lead to setting a few simple landmarks in our lives, such as respect the others , don not steal , don not lie , do not cheat, be responsible , trust them

without being naive , improve your counterpart's life without jeopardizing yours, share with justice and so on.

## **SCOPE OF THE STUDY**

We therefore now look at the scope of ethics in the business management world:

**Business Ethics:** Business ethics means doing an honest, legal, transparent business accepted by norms of society and culture and generally involves honouring contracts, accountability, truthful accounting practices and honesty with regards to the quality and safety of products and services i.e. honest business practices. An example of a violation of these ethics is falsely advertising the benefit a particular product can offer a customer, evading taxes or doing a business harmful to the interests of society at large like manufacturing and selling cigarettes, alcohol or drugs. It is imperative that businesses create a climate of trust with customers, clients and partners in order to grow and remain sustainable.

**Workplace Ethics:** Workplace ethics apply to everyone involved in the workplace, from upper-level management to sales people and clerks. Workplace ethics are moral guidelines specific to a business environment. They involve everything from honesty with customers to fair hiring practices to the treatment of fellow employees. Knowledge of and adherence to workplace ethics contributes to one's value as an employee or business owner, and leads to greater cohesiveness and the longevity of a business.

**Employer and Management Ethics:** Employer and management ethics include hiring and firing practices, as well as overall treatment of employees. Ethical hiring practices entail assessing each candidate according to his or her capabilities and potential value to the company, rather than discriminatory or other superficial considerations. Treat employees with respect and dignity in the workplace and refrain from abusive or degrading management. Criticisms of job performance must be given privately and coupled with positive comments and encouragement. Guidelines for expected job performance should be made clear to the employee from the beginning of that person's employment. Carry out dispute resolution among employees with justice, fairness and impartiality. Ethics are also involved during the termination of employment. Disregarding exceptional cases of extreme employee misconduct the organization must provide employees with adequate notice of at least one month when termination is necessary. If there are minor job performance issues, management should attempt to communicate with the employee and correct the problem before termination is considered.

**Sexual Harassment Ethics:** Employees should be free from unwanted sexual advances and inappropriate sexual comments. This is particularly a concern for female employees, but sexual harassment also occurs to men and those with an alternative sexual orientation. Employees should always treat each other with respect, and management should create an environment where sexual harassment is not tolerated.

Diversity Ethics: Respect for diversity is important in the workplace environment. Employees should be free from comments and behaviours offensive to their particular cultural differences. The human being should not be discriminated by caste, creed, race, ethnics and religion. Every employee must be treated with dignity and respect. The workplace environment should maintain a policy of tolerance for differences of religion, race, gender, sexuality and culture. Diversity ethics extends to hiring and promotion practices.

### **ENVIRONMENTAL ETHICS**

Business owners, managers and employees should not want only disregard environmental concerns. This includes managing air, water and other kinds of pollution, as well as noise pollution and needlessly disrupting the surrounding community. Environmental ethics also involves incorporating values of environmental sustainability into business practices<sup>8</sup>.

### **LEADERSHIP AND ETHICS**

Leaders know what they value. They also recognize the importance of ethical behaviour. The best leaders exhibit both their values and their ethics in their leadership style and actions. Your leadership ethics and values are visible because you live them in your actions every single day. Values form the foundation for everything that happens in your workplace. If you are the founder of an organization, your values permeate the workplace. You naturally hire people who share your values. Whatever you value, will largely govern the actions of your workforce. Noble and excellent actions give one a joyous state, ecstasy and a quiet mind. One's actions must be purposeful and one must weigh the pros and cons or consequences of one's actions and use one's actions for good – dharma or righteousness. Every successful strategist must have behind him somewhere tremendous integrity, tremendous sincerity, and that are the cause of his signal success in life. He may not have been perfectly unselfish; yet he was tending towards it. If he had been perfectly unselfish, his would have been as great a success as that of the Buddha or of the Christ. The degree of unselfishness marks the degree of success everywhere<sup>10</sup>. The watchword of all well – being, of all moral good is not “I” but “thou” (II. 353)<sup>2</sup>.

An excellent business strategy retains virtue as a component of the plans. A very good example is 'INFOSYS' and its founder Chairman, Mr. Narayana Murthy had stated “we agreed to create a values-based organization”.....“Strategy is what we have to do to create and maintain sustainable differentiation vis-à-vis competitors. One aspect of our differentiation is our emphasis on values”.....“From the day I started Infosys, I made it a point to address every new batch of employees. I told them that I could guarantee them only three things. One, every Infosys transaction will enhance their respect and dignity. Two, the company will conduct itself in a fair, transparent, and ethical manner, so they will never have to hang their heads in shame. Three, they will learn three times more at Infosys than at any other company”.....“We didn't lose our health, suffer psychological trauma, or break up our families because we followed a values system<sup>11</sup>”. As the late Mahatma Gandhi had said "A man is but the product of his thoughts. What he thinks, he becomes<sup>12</sup>".

The following are examples of values. You might use these as the starting point for discussing values within your organization: ambition, competency, individuality, equality, integrity, service, responsibility, accuracy, respect, dedication, diversity, improvement, enjoyment, loyalty, credibility, honesty, innovativeness, teamwork, excellence, accountability, empowerment, quality, efficiency, dignity, collaboration, stewardship, empathy, accomplishment, courage, wisdom, independence, security, challenge, influence, learning, compassion, friendliness, discipline / order, generosity, persistency, optimism, dependability and flexibility. As a leader, choose the values and the ethics that are most important to you, the values and ethics you believe in and that which define your character. Then live them visibly every day at work. Living your values is one of the most powerful tools available to you to help you lead and influence others. Do not waste your best opportunity<sup>13</sup>.

As stated, regardless of any religious consideration but it may not be in contradiction...it all comes down to what it is that you have learned to believe in. If you feel that no special efforts or no in depth commitments are required to succeed in life, and that everyone, is to equally share in the efforts and in the fruits of the labours of some or of all, then you believe in a more social life structure. However if you believe that if you are taking all the risks, with all the exposed physical and financial investments and hard work through your own commitments, while others will not and do not take on those same risks, that you should reap your just rewards, that is free enterprise.

I am not here to judge what one feels or believes in or does not believe in. You must be your own judge. I however personally believe that all behaviour is learned. We learn to believe or not, to love or to hate, to share or not share, to be kind or to be indifferent or even cruel. It is these things that we become known for, and are thus measured by others; it is for our possession of or the lack of these things like honesty, integrity, worth, value or morals. We choose to reflect them or not within our business.

## SUGGESTIONS AND CONCLUSION

One must live uncompromisingly the 'dharmic' ('dharma' may encompass ideas such as duty, vocation, religion and everything that is considered correct, proper or decent behaviour) / righteous way of life. Productivity, profit, benefits are no longer goals but consequences and rewards. They are just metrics that measure the progress of the community toward the ultimate goal of ever improving life conditions for all, the majority and not only a few. Adequate values and ethics do make businesses sustainable.

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***I believe the real difference between success and failure in a corporation can be very after traced to the question of how well the organization brings out the great energies and talents of its peoples.***

***Thomas J. Watson, Jr.***

## GLOBALISATION & INDIA : A CRITICAL REVIEW

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### ABSTRACT

*“Vasudhev Kutumbkam”, (the entire world is our family) is an ancient philosophy of India emerged at the time of Lord Buddha (around 500 B.C.). In modern age the economic reforms programme initiated in 1991 onwards, has provided faster pace of globalisation in our country. According to a recent survey carried out by Chicago Council on Global affairs and World Public opinion in cooperation with polling organizations around the world, indicated that globalisation has benefited the India multidimensionally however it also has partial negative impact on our country but its bright side is larger than the darker one.*

*India has witnessed a deep impact of globalisation on its industries, service sector, agriculture, infrastructure & culture along with life style of Indians. Now a days our think tanks are advocating about cosmopolitan culture, global standard working pattern & life style etc. at the same time the critics are opposing the process of globalisation by blaming it a main cause of endangering our culture and economy.*

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### INTRODUCTION

A large number of Indians believe that globalisation benefits their country and think that international trade is positive for their economy and the environment. The process of globalisation has helped Indian economy to grow rapidly. In the last few years, India's economic growth has been high, exports have boomed, incidence of poverty has been reduced, employment has surged, begging by India for economic aid has stopped, scarcity of goods have disappeared, the quality of products available have improved substantially and overall India has become progressively vibrant and internationally competitive.

### WHAT THE DATA REVEALS?

According to the recent study by Chicago Council on Global affairs and polling organizations around the world, a majority of 61 per cent believed that international trade is good for consumers and 54 percent agreed that it is good for standard of living. Fifty-six per cent of the Indian respondents believed that international trade is good for creating jobs but only 32 per cent held the opposite view.

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On the issue of whether the international trade is good for the workers' job security, Indians are divided with 49 per cent saying it is good and 37 per cent considering it bad. More than 8 in 10 believe that protecting domestic jobs should be an important foreign policy goal.

Contrary to perception that people in developing countries oppose labour standards, the survey found that a majority of 56 per cent Indian say that the trade agreements should be required to maintain minimum standards of working conditions and 60 per cent are for environment protection.

### **RECENT OPINION OF MINISTRY**

Recently, addressing a meeting with Indian industries, organised jointly by the Federation of Indian Chambers of Commerce and Industry, the Confederation of Indian Industries and the Associated Chambers of Commerce and Industry of India, Union Minister of Commerce and Industry, said, "India is a global service provider in field of IT and software sector.

### **STRATEGIC PHASES**

Government has pushed liberalization in India by advocating policy measures such as privatisation, disinvestment, commercialisation, deregulation and international integration etc. A review through the vast literature on the reform process takes us through the journey of India's movement from a socialist closed economy to a pro market open economy.

### **EFFECTS OF GLOBALISATION ON INDUSTRIES**

Effect of globalisation on Indian industry has been very positive. Most of the industries have become more and more efficient, customer focused and improved their international competitiveness in terms of costs, prices, product quality and variety. Indian industries are also expanding abroad. Foreign companies have substantially increased their investments in Indian industries. Wages of industrial labour has increased substantially as they have become very productive. The trade unions are finding it difficult to influence industrial workers into agitation because labor has started benefiting from the positive fallout of globalisation on the prosperity and growth of the industrial sector. Talented and merited labor is commanding premium compensation in the labor market. Several new types of industries have also come up.

### **EFFECTS OF GLOBALISATION ON AGRICULTURE**

India has done very little reforms in agriculture to enable private and individual economic initiative that would help harness the benefits of globalisation. But starting of Kisan Call Centres by the Government & the e-choupals network created by an Indian company and the spread of mobile telephones have provided on line market price and climatic information on on-line real-time basis and helped them to get the best prices and sell to the most attractive buyers and brought them freedom from the clutches of the middlemen and traders.

In many areas farmers have committed suicides because of crop failures and high indebtedness. Using the old British Indian laws of land acquisition, the state Govts. are forcing farmers to sell their lands for industries at prices they consider justified rather than asking industrialists and companies to bid for agricultural land which will increase the market prices of land. Once these policy impediments are removed, globalisation will proceed in Agriculture and farming in the proper way and benefit Indian agriculture and farming throughout the country.

### **EFFECTS OF GLOBALISATION ON CULTURE**

People around the globe are more connected to each other today than ever before in the history of mankind. International travel is more frequent. International communication is commonplace.

Hindu way of life is under the lethal threat of the ruthless forces of Globalization today. The unbridled expansion of western culture has continued at an accelerated rate along with the denigration and decline of Hindu culture, civilization, religion, art, literature and customs. This new Colonialism has taken on several new faces or rather put on new masks. In the name of modernization and Globalization it pretends to be uplifting people whom it is really exploiting. According to the missionaries who came to India to play second fiddle to the British Imperial rulers, Christianity was the only true religion. All facets and all aspects of Hindu religion and Hindu society were dismissed as idolatry and superstition, in order to advance the noble Christian pursuit of salvation for the barbarous heathens of India. This is what I call Macaulayism.

### **CONCLUSION**

All political parties seem to have accepted the need for reforms, though differences persist as regards their spread and mode of implementation. There is a broad consensus that unless the gains of liberalisation and openness are widespread, their acceptability by the general public will be greatly reduced.

It is a very high time for our country to safely proceed the process of globalisation in our country by protecting interests of masses and keep intact our culture to observe the 'Utopia'.

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## NEED OF STRESS MANAGEMENT

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### ABSTRACT

*Modern life is full of hassles, deadlines, frustrations, and demands. For many people, stress is so commonplace that it has become a way of life. In small doses, it can help you perform under pressure and motivate you to do your best. But when you're constantly running in emergency mode, your mind and body pay the price. Stress accounts for 80 percent of all illnesses either directly or indirectly. Stress weakens the immune system and has other serious effects on the brain and body such as cardiovascular problems, and mental illness such as depression.*

*The present research work is an attempt to study the need and techniques of stress management. The present study is based upon the primary as well as secondary data. The population selected for this particular study is individuals of all age groups.*

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### INTRODUCTION:

Stress is an unavoidable consequence of modern living. Modern life is full of hassles, deadlines, frustrations, and demands. For many people, stress is so commonplace that it has become a way of life. Stress isn't always bad. In small doses, it can help you perform under pressure and motivate you to do your best. But when you're constantly running in emergency mode, your mind and body pay the price.

Stress management is the need of the hour. Today stress management is important in everyone's lives. It's necessary for long happy lives with less trouble that will come about. Stress management involves understanding the psychology behind or that is causing the stress and finding strategies to deal with, reduce, or eliminate the stress. Stress can result from viewing yourself or your situations negatively or with insecurity. Stress reduction results from managing or viewing situations in

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a positive way, taking action, organizing, planning, and finding solutions. By doing this you will also feel a sense of control over the situation and your life.

**WHAT IS STRESS**

Stress is a normal physical response to events that make you feel threatened or upset your balance in some way. When you sense danger – whether it’s real or imagined – the body’s defenses kick into high gear in a rapid, automatic process known as the “fight-or-flight” reaction, or the stress response.

The stress response is the body’s way of protecting you. When working properly, it helps you stay focused, energetic, and alert. In emergency situations, stress can save your life – giving you extra strength to defend yourself, for example, or spurring you to slam on the brakes to avoid an accident.

**The Body’s Stress Response:-** When you perceive a threat, your nervous system responds by releasing a flood of stress hormones, including adrenaline and cortisol. These hormones rouse the body for emergency action. Your heart pounds faster, muscles tighten, blood pressure rises, breath quickens, and your senses become sharper. These physical changes increase your strength and stamina, speed your reaction time, and enhance your focus – preparing you to either fight or flee from the danger at hand.

**Signs and symptoms of stress overload**

The following table lists some of the common warning signs and symptoms of stress. The more signs and symptoms you notice in yourself, the closer you may be to stress overload.

Cognitive Symptoms	Emotional Symptoms
<ul style="list-style-type: none"> <li>▪ Memory problems</li> <li>▪ Inability to concentrate</li> <li>▪ Poor judgment</li> <li>▪ Seeing only the negative</li> <li>▪ Anxious or racing thoughts</li> <li>▪ Constant worrying</li> </ul>	<ul style="list-style-type: none"> <li>▪ Moodiness</li> <li>▪ Irritability or short temper</li> <li>▪ Agitation, inability to relax</li> <li>▪ Feeling overwhelmed</li> <li>▪ Sense of loneliness and isolation</li> <li>▪ Depression or general unhappiness</li> </ul>

Physical Symptoms	Behavioral Symptoms
<ul style="list-style-type: none"> <li>▪ Aches and pains</li> <li>▪ Diarrhea or constipation</li> <li>▪ Nausea, dizziness</li> <li>▪ Chest pain, rapid heartbeat</li> <li>▪ Loss of sex drive</li> <li>▪ Frequent colds</li> </ul>	<ul style="list-style-type: none"> <li>▪ Eating more or less</li> <li>▪ Sleeping too much or too little</li> <li>▪ Isolating yourself from others</li> <li>▪ Procrastinating or neglecting responsibilities</li> <li>▪ Using alcohol, cigarettes, or drugs to relax</li> <li>▪ Nervous habits (e.g. nail biting, pacing)</li> </ul>

**OBJECTIVES AND RESEARCH METHODOLOGY:**

A lot of research has been conducted into stress over the last hundred years. The main objective of the present research work is as follows-

- 1). The effect of stress on individuals life.
- 2). Importance of stress management.
- 3). In which extent stress management techniques is successful in managing stress.
- 4). To identify the different methods & techniques of reducing stress.

The present study is based upon the primary as well as secondary data. The population selected for this particular study is individuals of all age groups. It covers male and females both. The sample size is 100. The primary data was collected by direct interview through questionnaires. The secondary data was collected from research publications, books, standard journal and periodicals. The primary and secondary data collected is analyzed with the help of required statistical tools.

**STRESS LEVEL:**

This paper includes an analysis of data collected by representing it in tabular form.

**Table 1:**

Percentage Of Respondents Who Felt That They Were Stressed	
Category	% of Respondents
Stressed	97
Not Stressed	03

From the table 1, it is indicated that majority of the respondents were stressed, whereas only few respondents felt that they were not stressed.

**Table 2**

<b>Stress Level In Different Categories</b>		
<b>(1) Adult</b>	<b>%</b>	<b>Average %</b>
<b>i. Men</b>		<b>94.50%</b>
Businessman	94%	
Government employees	92%	
Private employees	97%	
Others	95%	
<b>ii. Women</b>		<b>95.50%</b>
Housewife's	93%	
Working	98%	
<b>(2) Children</b>		
Under 10 years	20%	
Above 10 years	50%	<b>35.00%</b>

From the table 2, it is indicates the % of different categories which feels stress in there life's.

**COMMON EXAMPLES OF STRESSORS ARE:**

Environmental factors such as sound levels, physical exertion, extreme temperatures, and a cluttered environment.

Life events and conditions such as births, deaths, personal relationships, marriage, marital or family conflicts, divorce, new employment, unemployment, and poverty. Work related events such as responsibilities, disorganization, work deadlines, excessive competition, and over work.

School related events such as exams, term papers or project deadlines. According to scientists, women really are ruled by their hormones. Women have higher rates of depression, post-traumatic stress disorder and other anxiety problems than men.

Women suffer from anxiety and stress almost twice as much as men. Women, in these days, have a lot of balancing to do between home and workplace, including balancing between social and personal requirements. The issues of maternity, menopause, parenthood, gender roles, conditions at home and workplace, familial and social support et al, often blight women's lives in the long run.

Different things cause stress in different people. Some of the things students commonly cite as causes of stress include: examinations, deadlines, returning to study, pressure of combining paid work and study, difficulty in organizing work, poor time management, leaving assignments to the last minute, out of control debts, poor housing, overcrowding, noise, adjusting to life in a new environment or country, difficulties with personal relationships (e.g. splitting up), balancing the demands of a family with studying, parents or problems at home. Very often stress results from an accumulation of many different pressures which build up gradually without us noticing.

### **EFFECTS OF STRESS:**

It can set you up for general poor health as well as specific physical or psychological illnesses like infection, heart disease, or depression. In fact, stress is more dangerous than we thought. You've probably heard that it can raise your blood pressure, increasing the likelihood of a stroke in the distant future, but recently a health insurance brochure claimed that 90 percent of visits to a primary care physician were stress-related disorders.

Health Psychology magazine reports that chronic stress can interfere with the normal function of the body's immune system. And studies have proven that stressed individuals have an increased vulnerability to catching an illness and are more susceptible to allergic, autoimmune, or cardiovascular diseases.

Doctors agree that during chronic stress, the functions of the body that are nonessential to survival, such as the digestive and immune systems, shut down. "This is why people get sick," he says. "There are also many occurrences of psychosomatic illness, an illness with an emotional or psychological side to it."

Furthermore, stress often prompts people to respond in unhealthy ways such as smoking, drinking alcohol, eating poorly, or becoming physically inactive. This damages the body in addition to the wear and tear of the stress itself.

Stress isn't always bad. In fact, this gets some people to perform better at work. However, when it gets too much, it can also have a negative impact in our body, and more importantly, in our minds. We won't be able to focus and see the finer details.

We will end up overlooking a lot of the things. Thus, we will commit mistakes more. When we feel anxiety, our body releases adrenaline which is meant for fight or flight situations only. If we constantly release such hormone, our body ends up paying the price.

## **STRESS MANAGEMENT:**

Managing stress is all about taking charge: taking charge of your thoughts, your emotions, your schedule, your environment, and the way you deal with problems. The ultimate goal is a balanced life, with time for work, relationships, relaxation, and fun – plus the resilience to hold up under pressure and meet challenges head on.

### **IDENTIFY THE SOURCES OF STRESS IN YOUR LIFE**

Stress management starts with identifying the sources of stress in your life. This isn't as easy as it sounds. Your true sources of stress aren't always obvious, and it's all too easy to overlook your own stress-inducing thoughts, feelings, and behaviors. Sure, you may know that you're constantly worried about work deadlines. But maybe it's your procrastination, rather than the actual job demands, that leads to deadline stress. To identify your true sources of stress, look closely at your habits, attitude, and excuses.

**Start a stress journal:**- A stress journal can help you identify the regular stressors in your life and the way you deal with them. Each time you feel stressed; keep track of it in your journal. As you keep a daily log, you will begin to see patterns and common themes. Write down:

- What caused your stress (make a guess if you're unsure).
- How you felt, both physically and emotionally.
- How you acted in response.
- What you did to make yourself feel better.

### **LOOK AT HOW YOU CURRENTLY COPE WITH STRESS**

Think about the ways you currently manage and cope with stress in your life. Your stress journal can help you identify them. Are your coping strategies healthy or unhealthy, helpful or unproductive? Unfortunately, many people cope with stress in ways that compound the problem.

### **UNHEALTHY WAYS OF COPING WITH STRESS**

These coping strategies may temporarily reduce stress, but they cause more damage in the long run:

- |   |  |
|---|--|
| ▪ Smoking   | ▪ Using pills or drugs to relax  |
| ▪ Drinking too much                                   | ▪ Sleeping too much  |
| ▪ Overeating or under eating                          | ▪ Procrastinating  |
| ▪ Zoning out for hours in front of the TV or computer | ▪ Filling up every minute of the day to avoid facing problems                        |
| ▪ Withdrawing from friends, family, and activities    | ▪ Taking out your stress on others (lashing out, angry outbursts, physical violence) |

## LEARNING HEALTHIER WAYS TO MANAGE STRESS

If your methods of coping with stress aren't contributing to your greater emotional and physical health, it's time to find healthier ones. There are many healthy ways to manage and cope with stress, but they all require change. You can either change the situation or change your reaction. When deciding which option to choose, it's helpful to think of the four as: avoid, alter, adapt, or accept.

Since everyone has a unique response to stress, there is no "one size fits all" solution to managing it. No single method works for everyone or in every situation, so experiment with different techniques and strategies. Focus on what makes you feel calm and in control.

Dealing with Stressful Situations: The Four A's

### **Change the situation:**

- Avoid the stressor.
- Alter the stressor.

### **Change your reaction:**

- Adapt to the stressor.
- Accept the stressor.

## STRESS MANAGEMENT STRATEGY #1: AVOID UNNECESSARY STRESS

Not all stress can be avoided, and it's not healthy to avoid a situation that needs to be addressed. You may be surprised, however, by the number of stressors in your life that you can eliminate.

- **Learn how to say "no"** – Know your limits and stick to them. Whether in your personal or professional life, refuse to accept added responsibilities when you're close to reaching them. Taking on more than you can handle is a surefire recipe for stress.
- **Avoid people who stress you out** – If someone consistently causes stress in your life and you can't turn the relationship around, limit the amount of time you spend with that person or end the relationship entirely.
- **Take control of your environment** – If the evening news makes you anxious, turn the TV off. If traffic's got you tense, take a longer but less-traveled route. If going to the market is an unpleasant chore, do your grocery shopping online.
- **Avoid hot-button topics** – If you get upset over religion or politics, cross them off your conversation list. If you repeatedly argue about the same subject with the same people, stop bringing it up or excuse yourself when it's the topic of discussion.

- **Pare down your to-do list** – Analyze your schedule, responsibilities, and daily tasks. If you've got too much on your plate, distinguish between the "should" and the "musts." Drop tasks that aren't truly necessary to the bottom of the list or eliminate them entirely.

### **STRESS MANAGEMENT STRATEGY #2: ALTER THE SITUATION**

If you can't avoid a stressful situation, try to alter it. Figure out what you can do to change things so the problem doesn't present itself in the future. Often, this involves changing the way you communicate and operate in your daily life.

- **Express your feelings instead of bottling them up.** If something or someone is bothering you, communicate your concerns in an open and respectful way. If you don't voice your feelings, resentment will build and the situation will likely remain the same.
- **Be willing to compromise.** When you ask someone to change their behavior, be willing to do the same. If you both are willing to bend at least a little, you'll have a good chance of finding a happy middle ground.
- **Be more assertive.** Don't take a backseat in your own life. Deal with problems head on, doing your best to anticipate and prevent them. If you've got an exam to study for and your chatty roommate just got home, say up front that you only have five minutes to talk.
- **Manage your time better.** Poor time management can cause a lot of stress. When you're stretched too thin and running behind, it's hard to stay calm and focused. But if you plan ahead and make sure you don't overextend yourself, you can alter the amount of stress you're under.

### **STRESS MANAGEMENT STRATEGY #3: ADAPT TO THE STRESSOR**

If you can't change the stressor, change yourself. You can adapt to stressful situations and regain your sense of control by changing your expectations and attitude.

- **Reframe problems.** Try to view stressful situations from a more positive perspective. Rather than fuming about a traffic jam, look at it as an opportunity to pause and regroup, listen to your favorite radio station, or enjoy some alone time.
- **Look at the big picture.** Take perspective of the stressful situation. Ask yourself how important it will be in the long run. Will it matter in a month? A year? Is it really worth getting upset over? If the answer is no, focus your time and energy elsewhere.

- **Adjust your standards.** Perfectionism is a major source of avoidable stress. Stop setting yourself up for failure by demanding perfection. Set reasonable standards for yourself and others, and learn to be okay with “good enough.”
- **Focus on the positive.** When stress is getting you down, take a moment to reflect on all the things you appreciate in your life, including your own positive qualities and gifts. This simple strategy can help you keep things in perspective.

**Adjusting Your Attitude:** How you think can have a profound effect on your emotional and physical well-being. Each time you think a negative thought about yourself, your body reacts as if it were in the throes of a tension-filled situation. If you see good things about yourself, you are more likely to feel good; the reverse is also true. Eliminate words such as "always," "never," "should," and "must." These are telltale marks of self-defeating thoughts.

#### **STRESS MANAGEMENT STRATEGY #4: ACCEPT THE THINGS YOU CAN'T CHANGE**

Some sources of stress are unavoidable. You can't prevent or change stressors such as the death of a loved one, a serious illness, or a national recession. In such cases, the best way to cope with stress is to accept things as they are. Acceptance may be difficult, but in the long run, it's easier than railing against a situation you can't change.

- **Don't try to control the uncontrollable.** Many things in life are beyond our control—particularly the behavior of other people. Rather than stressing out over them, focus on the things you can control such as the way you choose to react to problems.
- **Look for the upside.** As the saying goes, “What doesn't kill us makes us stronger.” When facing major challenges, try to look at them as opportunities for personal growth. If your own poor choices contributed to a stressful situation, reflect on them and learn from your mistakes.
- **Share your feelings.** Talk to a trusted friend or make an appointment with a therapist. Expressing what you're going through can be very cathartic, even if there's nothing you can do to alter the stressful situation.
- **Learn to forgive.** Accept the fact that we live in an imperfect world and that people make mistakes. Let go of anger and resentments. Free yourself from negative energy by forgiving and moving on.

#### **Stress management strategy #5: Make time for fun and relaxation**

Beyond a take-charge approach and a positive attitude, you can reduce stress in your life by nurturing yourself. If you regularly make time for fun and relaxation, you'll be in a better place to handle life's stressors when they inevitably come.

### Healthy ways to relax and recharge:

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- Go for a walk.
- Spend time in nature.
- Call a good friend.
- Sweat out tension with a good workout.
- Write in your journal.
- Take a long bath.
- Light scented candles.
- Savor a warm cup of coffee or tea.
- Play with a pet.
- Work in your garden.
- Get a massage.
- Curl up with a good book.
- Listen to music.
- Watch a comedy.

Don't get so caught up in the hustle and bustle of life that you forget to take care of your own needs. Nurturing yourself is a necessity, not a luxury.

- **Set aside relaxation time.** Include rest and relaxation in your daily schedule. Don't allow other obligations to encroach. This is your time to take a break from all responsibilities and recharge your batteries.
- **Connect with others.** Spend time with positive people who enhance your life. A strong support system will buffer you from the negative effects of stress.
- **Do something you enjoy every day.** Make time for leisure activities that bring you joy, whether it be stargazing, playing the piano, or working on your bike.
- **Keep your sense of humor.** This includes the ability to laugh at yourself. The act of laughing helps your body fight stress in a number of ways.

### STRESS MANAGEMENT STRATEGY #6: ADOPT A HEALTHY LIFESTYLE

You can increase your resistance to stress by strengthening your physical health.

- **Exercise regularly.** Physical activity plays a key role in reducing and preventing the effects of stress. Make time for at least 30 minutes of exercise, three times per week. Nothing beats aerobic exercise for releasing pent-up stress and tension.
- **Eat a healthy diet.** Well-nourished bodies are better prepared to cope with stress, so be mindful of what you eat. Start your day right with breakfast, and keep your energy up and your mind clear with balanced, nutritious meals throughout the day.

- **Reduce caffeine and sugar.** The temporary "highs" caffeine and sugar provide often end in with a crash in mood and energy. By reducing the amount of coffee, soft drinks, chocolate, and sugar snacks in your diet, you'll feel more relaxed and you'll sleep better.
- **Avoid alcohol, cigarettes, and drugs.** Self-medicating with alcohol or drugs may provide an easy escape from stress, but the relief is only temporary. Don't avoid or mask the issue at hand; deal with problems head on and with a clear mind.
- **Get enough sleep.** Adequate sleep fuels your mind, as well as your body. Feeling tired will increase your stress because it may cause you to think irrationally.

### CONCLUSION:

Reducing stress in your everyday life is vital for maintaining your overall health, as it can improve your mood, boost immune function, promote longevity and allow you to be more productive.

There are plenty of good reasons to learn some stress management techniques. It'll save you more than it will cost you. Stress management is important because it can save your life and your relationships. Due to stress people attention on there goals in life is diverted to another directions.

The consequences of stress can cause specific disorders in both mind and body.

Recent event of farmer's suicide is also a result of stress. Many peoples suicide because of stress. Stress effect there health, family, Relationships, work. Stress leads to marriage breakups, family fights, road rage, suicides and violence. Stress accounts for 80 percent of all illnesses either directly or indirectly. So Stress management is the need of the hour. It's necessary for long happy lives with less trouble that will come about.

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## SEGMENTATION OF SELF-SERVICE STORE CONSUMERS

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### ABSTRACT

*Customer acquisition and retention is a big challenge for any Organized Retail player. In this competitive scenario understanding the consumers' behaviour is a task of prime importance. Segmentation of the consumers visiting a particular store is a crucial task as the players need to identify their potential customers for the purpose of better targeting. In this empirical study initially the respondents are segregated into three homogeneous based on Store Affection, Store Image and Store Loyalty and then tested whether the groups significantly differ from each other.*

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### INTRODUCTION:

Organized Retail is a booming sector in India (Indian Retail Report 2009; Sreejith & Raj, 2007; Sinha & Kar, 2007) at the same time highly competitive too. Customer retention has become a key managerial strategy that has encouraged interest in understanding and implementing store-loyalty programs (Agustin & Singh, 2005; Carter, 2008). Sustainability is a challenge for every player (Dash & Chandy, 2008). A shopper may have several stores that he/she shops from, simply because he/she finds all of them 'acceptable' in quality or at very high levels of competition, stores may again be evaluated in terms of 'acceptability' (Kaul, 2006). Therefore finding out the various reasons for which people like or dislike a store, visits again and again is the main motive for the Organized Retail players. Knowing your customer in a better way always gives a competitive edge. It also helps in positioning and to identify target consumers. In this study an attempt is to segregate the consumers into three homogeneous groups based on the variables used to measure their opinion regarding Self-services stores and name them for the purpose of segmentation.

### REVIEW OF LITERATURE:

Ray Ipshita and Chiagouris Larry (2009) in their study identified four important aspect of Store choice 'Store Atmosphere, Store Uniqueness, Merchandise Value, Store Familiarity' which ultimately result in 'Store Affect' where Merchandise Value resulted in Non-Significant. Kaul Susashini (2006) in her paper identified that distinctiveness (Uniqueness) of the store and Social identity of the customers combine together play vital role in the formulation of 'Store Image'. Luijtana Ton and Will Reijndersb (2009) found that the private brands are in the battle for the consumer's favour. This battle initially increased the level of store duplication, but had a negative effect on store loyalty. East Robert et. al

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(2000) in their study shows evidence of a general positive association between Store Loyalty and Customer Retention. Store Loyalty is higher for the younger age groups, which may be because of more time-pressured. Store location and proneness for routine may also be basis of loyalty. Doherty Susan and Nelson Roy (2008) in their paper rated the 'hard' attributes of this store highly. As a result of these characteristics, customers in this segment were termed into three groups 'devoted loyals', 'susceptibles' and 'promiscuous switchers'. Low levels of satisfaction with 'extra facilities' in store were detected across all three categories of customers. Interviewee's satisfaction with the staff in store yielded no significant differences between the three loyalty groups. Similarly, no significant difference was detected between the three loyalty groups in terms of the social experiences, social rewards and positive image of their food store. Hansen Karsten and Singh Vishal (2008) their results show that store-brand buying behavior is driven by households' underlying value trait over and beyond what is captured by price sensitivity alone, and that these value-oriented households are more susceptible to new competitors. Households that show high preference for store brands across a wide variety of products in the pre-entry period shift a significantly higher level of their expenditures to the new entrant.

#### **OBJECTIVE OF THE STUDY:**

- To segregate the respondents into three homogeneous groups based on the behaviour and verify if group-wise consumers' attitude towards Self-service Stores differ significantly from each other.

#### **METHODOLOGY:**

A self-serviced store is that where products or articles are displayed and customer can touch them, look at its price tag and then can take purchase decision. They pick up the articles by themselves. There are salespersons around, they intervene only if customer has a doubt or they are asked to do so. Hypermarket, supermarket, departmental stores and showrooms of popular brands are considered to be representative of this format of Organized Retail in this study.

The research gap was found after performing a thorough review of literature. Primary data were collected through questionnaire made up of combinations of multiple standard scales. The study is done on the people of Gwalior. The motive behind choosing this format is people of Gwalior is highly familiar with this format of Organized Retail. The scales were already validated and reliable enough to measure the constructs chosen for the study. The collected data then entered and analyzed in PASW 18.0 statistical software. Analyses and interpretations are done based on the results of the tests performed. In the end in conclusion we have discussed where the future scope lies and further studies can be done.

#### **INSTRUMENT:**

The instrument is made of standard scales. The details of the questionnaire are given below:

**Table 1 - Measurement scales for the constructs**

<b>Construct</b>	<b>Definition</b>	<b>Source</b>
1 Store atmosphere 05 items	Store Atmosphere is the physical characteristics and surrounding influence of a retail store, used to attract customers.	Ray & Chiagouris (2008),
2 Store uniqueness 02 items	Store Uniqueness refers to being the only one of its kind.	Ray & Chiagouris (2008),
3 Store Familiarity 05 items	Store Familiarity refers to how well one is familiar to the physical, personnel and other characteristics of the store.	Ray & Chiagouris (2008),
4 Store promotion 01 item	Store Promotion refers to promotion of products inside a shop, e.g. by demonstrations, product samples, special discounts, etc.	Tipathi & Sinha (2008)
5 Store Affection 03 items	Store Affection refers to a positive feeling of liking towards a store.	Ray & Chiagouris (2008),
6 Store Image 03 items	Store Image refers to the complex of a consumer's perceptions of a store or the positioning of a store on different (salient) attributes.	Edwin J. Nijssen & Susan P. Douglas (2008)
7 Store Loyalty 03 items	The share of category expenditure devoted to a store, the number of stores or brands used in a period, probability of purchase and repeat purchase.	Ailawadi, Neslin & Gedenk (2001)

The questionnaire contains 22 items to measure the constructs and the variables under study and 4 items to measure the demographics of the respondents.

**SAMPLING METHODS:**

The study is based on the population of Gwalior city. Primary data were collected through questionnaire. We floated 120 questionnaires among the potential respondents. The basic criteria of samples are they are familiar with Self-Serviced Store and they visit these types of store on a regular basis. Thus samples were picked based on the non-probabilistic judgment sampling at the initial stage. Among the questionnaire floated 67 came back to us, in which 52 were correctly filled. Analysis is done based on 50 respondents.

**Demographics of respondents (n = 50)**

Sr. No.	Demographics	Frequency	Percentage	
1	<b>Gender</b>	Male	28	56%
		Female	22	44%
2	<b>Age</b>	Below 25	18	36%
		25 – 40	18	36%
		40 above	14	28%
3	<b>Profession</b>	Housewife	16	32%
		Service	14	28%
		Business	14	28%
		Self-occupied	6	12%
4	<b>Income (per year)</b>	below 1.5 lakhs	18	36%
		1.5 - 3.5 lakhs	19	38%
		Above 3.5 lakhs	13	26%

**RESULT AND INTERPRETATION:**

This study is done to separate out the respondents into three homogeneous groups based on their responds related to Store affection, Store Image and Store Loyalty. K-Means Cluster Analysis is applied for the same.

**Final Cluster Centers**

	Cluster		
	1	2	3
Mean of Store Affection	4.43	2.45	3.21
Mean of Store Image	4.20	3.33	2.90
Mean of Store Loyalty	3.80	2.74	3.69

Results suggest that ‘group 1’ consists of such consumers who are highly affectionate towards their respective stores. They also carry highly positive image towards the stores but they are moderately loyal to their respective stores. This group is named as ‘Skeptic’. The ‘group 2’ is a collection of such respondents who are neither satisfied with store atmosphere nor they are loyal and moderately impressed by the store image. This group is names as ‘variety seeker’. The ‘third group’ having moderate level of Store Affection, Low level of Store Image yet moderate level of Store Loyalty, this group is named as ‘convenience seeker’.

**Hypothesis:**

**H1:** *There is no significant difference regarding Store Affection amongst different clusters for Self-service Store.*

**H2:** *There is no significant difference regarding Store Image amongst different clusters for Self-service Store.*

**H3:** *There is no significant difference regarding Store Loyalty amongst different clusters for Self-service Store.*

**ANOVA**

	Cluster		Error		F	Sig.
	Mean Square	df	Mean Square	df		
Mean of Store Affection	11.478	2	.202	47	56.809	.000
Mean of Store Image	6.155	2	.269	47	22.849	.000
Mean of Store Loyalty	4.923	2	.323	47	15.245	.000

The results suggest that ( $f = 56.809, p = .000 < 0.05$ ) there is significant difference regarding Store Affection amongst the clusters. Thus 'Null' hypothesis is rejected. The result related to the next hypothesis suggest that ( $f = 22.849, p = .000 < 0.05$ ) there is significant difference regarding Store Affection amongst the clusters. Thus 'Null' hypothesis is rejected. The result of the final hypothesis suggest that ( $f = 15.245, p = .000 < 0.05$ ) there is significant difference regarding Store Affection amongst the clusters. Thus 'Null' hypothesis is rejected.

This means the opinions and attitude towards self-serviced stores of these groups differ significantly from each other. Therefore each group needs to be taken care of separately. Specially, if any group contains major chunk of the consumers need to be identified and should be targeted.

The following table exhibits the number and percentage of respondents in each cluster to understand the cluster distribution.

**Number of respondents in each Cluster**

Cluster	1	10	20%
	2	14	28%
	3	26	52%
Total		50	100%

From the results it is observed that 'group 3' named as 'convenience seeker' is consisting of more than 50% of the respondents. This is the major chunk of the people visiting the self-service stores. 'group1' named as 'skeptic' contains 20% of the whole and the 'second group names as 'variety seeker' having 28% of the consumers.

Thus, as per the objective of the analysis 'convenience seeker' group is the group to ponder upon. Importantly this group does not show loyalty therefore attractive and innovative marketing strategies need to be developed for these consumers.

**CONCLUSION:**

With the rapid growth of Indian Organized Retail sector the competition is also increasing day by day. Companies should concentrate more towards the attractiveness of their stores. The store should appear to be convenient to the consumers. Positive store image in consumers mind is not enough to make consumers' loyal as alternatives are available. Distance and vehicle ownership is no more a bar for people as more and more stores are opening up of this kind.

The study should be done on a different cross-break of population. Factors like salesperson and assortment also contribute to build store image therefore further research can be done considering these factors as well.

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***If you are the master be sometimes blind, if you are the  
servant be sometimes deaf.***

***R. Buckminster fuller***

## A STUDY OF MANAGEMENT FACULTY MEMBERS PERCEPTION ON ORGANIZATIONAL CLIMATE FACTORS

Pranita Sonar<sup>1</sup>  
Dr. Ajay Wagh<sup>2</sup>

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### ABSTRACT

*This Paper aims at understanding the Perception of Management Faculty Members on various Organizational Climate Factors. A Sample of 120 Faculty Members from Management Institutes of Pune City was analyzed for developing a deeper understanding on the Subject. ANOVA and Post Hoc tests were employed for obtaining the results .It was found that Faculty Members differs in their opinion on the dimensions Work Life Balance and System Equipment & Training. Various significant learning's were drawn regarding prevailing Organizational Climate in the Management Education Sector. Strategies are required to make the workplace Pleasant and Challenging by focusing on specific Organizational Climate Factors related to Educational Institutions.*

**Key Words:** *Organizational Climate, Perception, Management Institutes, Education Sector.*

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### INTRODUCTION:

Organizational climate studies were prominent during the 1960s and 1970s (Denison, 1990). Taguiri (1968) describes various synonyms of the term such as atmosphere, conditions, culture and ecology. Organizational Climate has been defined as a "set of characteristics that describe an organization and that (a) distinguish it from other organizations, (b) are relatively enduring over time, and (c) influence the behavior of people in the organization" (Forehand & Gilmer, 1964,)." Organizational climate refers to an organization's policies, procedures, and practices commonly perceived by the members of the organization (Schneider, 1990). That is, employees form a subjective awareness based on collective experiences in the organization and this subjective awareness is referred to as the "climate" of the organization (Schneider and Bowen, 1995). Further Campbell in 1970 explained "Organizational Climate is a set of attributes specific to particular organization that may be induced from the way the organization deals with its members and its environment For the individual member within an organization, climate takes the form of a set of attitude and expectancies which describe the organization in terms of both static characteristics and behavior outcome and outcome-outcome contingencies.

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Such a definition stress that the essence of the organization as an organism, perceived by the employees, but relevant to the outsiders. However, organizational climate is quality of the organization's internal environment, especially as experienced by the insider.

The climate influences how organizational members behave by how they think and feel about their work environment (Walston, Al-Omar, and Al-Mutari, 2010). As addressed by Dessler (1979), Organizational Climate can be seen as the bridge that links the organizational goals or tangible targets to the employees' morale and employees' responses to the organizational structure, leadership styles and rules can be used as references for improvement of the organizational climate. Research into organizational climate thus becomes an important precondition for development of human resources management and organizational development, because by determining the general level of organizational climate and its components it is possible to streamline the future managerial activities, especially towards creation of organizational conditions benefiting performance of business subjects and efficient organizational human resources policies ( BahtijarevićŠiber, 1999).

The Organizational Climate is the powerful tool that has tremendous effect on the moral, performance and job satisfaction of employees in the organization. A good organizational climate promotes high team spirit, confidence in management, which help employees in achieving their goals & objectives that ultimately benefits the organization to improve the productivity & performance. High productivity provides employees with the knowledge that their branch is performing well, and that it is accomplishing its productivity goals. At the same time this signals to employees what the goal of the organization is and it reinforces the way how these goals are achieved (K. Van De Voorde, M. Van Veldhoven and J. Paauwe 2010 ) .

High organizational performance can positively influence the task support dimension. Organizations with higher profits have more room for investments in materials, equipment, services and resources, besides money can be invested as a buffer for lowering the risk of excessive workloads for instance by hiring temporary workers (Van Veldhoven 2005)

In the current scenario of globalization and a world of competition, there are an increasing number of graduates who opt for management degree to gain an edge over others and to increase their chances of getting employed. This has resulted in phenomenal growth in the number of institutes providing management education. These institutes are yearning to provide world class education and training to their students and make a mark in the field of management education. Management institutes have come under a scanner for their infrastructure facilities and teaching faculty members. This ever increasing pressure on the management institutes to achieve the top slot or rating has put tremendous pressure on the faculty members to constantly improve them and show their ability to groom the students in the right way. The major strength of institute comes from the skills, knowledge and attitude of its faculty members. Institutes must motivate their staff to perform and improve the level of job satisfaction. To achieve this institute must try and improve the overall Organizational Climate to get optimal output from their staff and to remain in the top slot.

**Objectives:** The objectives of the study are:

1. To study the dimensions of Organizational Climate in the Management Institutes.
2. To understand Faculty Members perception and their thoughts on various facets of Organizational Climate.
3. To find out the present status of Organizational Climate of Management Institutes situated in Pune City.

**Research Methodology:**

The study is descriptive in nature. Primary data for the study was collected from the faculty members of the management institutes working as full time teachers having Designation of Professor, Assistant Professor and Lecturers. All the Management Institutes of Pune City under the Governance of University of Pune and approved by AICTE were covered under the study. Institutes having Minimum 05 Years of standing by the year 2008 were considered under the study.

Primary data has been collected by the researchers for the study with the help of Questionnaire Method. Some of the faculty members were interviewed; all these interviews have proved useful in the formulation of Dimensions of the Questionnaire.

Convenient sampling technique was used to cover various categories of faculty members from these institutions. The Questionnaire was administered personally to 144 faculty members. The numbers of usable questionnaires in the study were found to be 120.

**The Instrument:**

For the purpose of collecting data a questionnaire was developed with Ten Dimensions covering the essence of Organizational Climate related to Education Sector. The Questionnaire so constructed consists of 30 Items. The Questionnaire response categories were designed for easy respondent answers. All the statements were scaled on Likert Type 05 Point Scale with the classification 05- Strongly Agree, 04- Agree, 03- Some What Agree, 02 – Disagree, 01- Strongly Agree.

In order to avoid biases in responses, certain statements were negatively framed and their scores were reversed while entering the data, so that all items became unidirectional. The Questionnaire Dimensions and Items are indicated in the Exhibit No-01.

**Exhibit No.-01**  
**Questionnaire Dimensions & Items**

Sr. No	Dimensions	Item No.
1	Fairness	03 Items
2	Collegiality	02 Items
3	Rewards & Recognition	03 Items
4	Decision Making	03 Items
5	Innovation & Change	04 Items
6	Orientation	03 Items

7	Systems, Equipments & Training	03 Items
8	Organizational Pride & Belongingness	03 Items
9	Work Life Balance	02 Items
10	Career Advancement & Skill Up gradation	04 Items
	<b>10 Dimensions</b>	<b>30 Items</b>

**Hypothesis:**

Following hypothesis was considered for the study:

- H1:** There exist significant differences among different level of faculty members regarding dimensions of Organizational Climate
- H2:** There exist significant differences among different age groups of faculty members regarding dimensions of Organizational Climate.

**Results:**

The analysis was carried out using Statistical Package for Social Sciences (SPSS). The results were evaluated on each dimension of Organizational Climate to test the hypotheses of the study. ANOVA was deployed to test for differences in the opinion. Subsequently t-test was used to examine differences between respondents on the various dimensions of Organizational Climate. A confidence level of 0.05 & 0.01 were assumed for the study.

**H1:** There exists significant difference among different levels of faculty members regarding dimensions of Organizational Climate.

**Exhibit No.-02  
ANOVA of Designation**

<b>Dimensions of Organizational Climate</b>	<b>F-Value</b>
Fairness	1.176
Collegiality	.733
Rewards and Recognition	.043
Decision Making	1.226
Innovation and Change	.720
Orientation	1.681
System Equipment and Training	.944
Organizational Pride and Belongingness	1.326
Work life Balance	2.959**
Career Advancement and Skill Up- gradation	.341

\* Correlation is significant at the 0.01 level.

\* Correlation is significant at the 0.05 level).

**Exhibit No.-03  
t Test of Designations**

<b>Dimensions of Organizational Climate</b>	<b>Designation of Respondent</b>	<b>N</b>	<b>Mean</b>	<b>t-value</b>
Work Life Balance	Senior Lecturer	4	5.5000	-2.826**
	Assistant Professor	34	8.1176	

\*\* Correlation is significant at the 0.01 level.

\* Correlation is significant at the 0.05 level.

On conducting ANOVA among the different levels of faculty members it was found that faculty members differs in their opinion on the dimension Work Life Balance as the F value (2.959) is found to be significant at .01 level .Further within the designation levels no significant difference reported with the remaining dimensions of Organizational Climate.

Hypothesis is accepted for the dimension work life balance. Hypothesis is rejected for the dimensions Fairness, Collegiality, Rewards & Recognition, Decision Making, Innovation & Change, Orientation, System Equipments & Training, Organizational Pride & Belongingness, and Career Advancement & Skill Up -gradation.

Further in order to know in detail which Faculty level differs in their opinion on the dimension Work Life Balance, Post Hoc (tukey) test were employed, the results shows that Senior Lecturers (Mean, 5.500) and Assistant Professor (Mean, 8.117) shows significant differences, and the Senior Lecturers are less satisfied with the Work Life Balance aspects of the job than assistant professors (Exhibit No.02 & 03).

**H2:** There exists significant difference among different Age Groups of faculty members regarding dimensions of Organizational Climate.

**Exhibit No.-04  
ANOVA OF AGE**

<b>Dimensions of Organizational Climate</b>	<b>F- Value</b>
Fairness	1.105
Collegiality	.863
Rewards and Recognition	1.020
Decision Making	2.873

Innovation and Change	1.534
Orientation	.857
System Equipment and Training	3.894**
Organizational Pride and Belongingness	1.438
Work Life Balance	2.866
Career Advancement and Skill Up -gradation	1.603

\*\* Correlation is significant at the 0.01 level.

\* Correlation is significant at the 0.05 level

**Exhibit No.-05**  
**t Test of Age**

Dimension of Organizational Climate	Age	N	Mean	t-value
System Equipment and Training	36-50	36	10.1667	-2.924**
	51 & above	9	13.1111	

\*\* Correlation is significant at the 0.01 level.

\* Correlation is significant at the 0.05 level

On conducting ANOVA among the different age groups of faculties it was found that faculty members differs in their opinion on the dimension System Equipment and Training as the F value (3.894) is found to be significant at .01 level .Further within the age group no significant difference reported with the remaining dimensions of Organizational Climate.

Hypothesis is *accepted* for the dimension System Equipments & Training. Hypothesis is *rejected* for the dimensions Fairness, Collegiality, Rewards & Recognition, Decision Making, Innovation & Change, Orientation, Work Life Balance, Organizational Pride & Belongingness, Career Advancement & Skill Up- gradation.

Further in order to know in detail which age group differs in their opinion on the dimension System Equipment and Training, Post Hoc (tukey) test were employed, the results shows that age group 36-50(Mean, 10.166) and age group 51 & Above (Mean, 13.111) shows significant differences, and the

age group 36-50 is less satisfied with the System Equipment and Training as compared to age group 51 & above (Exhibit No-04 & 05).

**Conclusion:**

On the basis of results of ANOVA & t-test, it can be inferred that there is no significant difference of opinion among the different level of faculty members on the dimensions of Organizational Climate apart from Work Life Balance. Senior lecturers are less satisfied with Work Life Balance provided by the job as compared to Assistant Professors.

Within the age group, there is no significant difference of opinion reported for the dimensions of Organizational Climate apart from the dimension System Equipment and Training. The age group 36 – 50 is less satisfied with the System Equipments and Training as compared to age group 51 & above.

Further detailed analysis of the Organizational Climate brings forth following conclusions:

The overall climate of fairness & collegiality is good in the institutes. Faculty members are satisfied with the work environment and culture, they are willing to share information and resources with peers, superiors and subordinates and a feeling of camaraderie exists in the institutes.

Overall Decision making process in the institutes is average. Top management takes most of the decisions. They are satisfied with the overall infrastructure available to them for work and skill up gradation.

Working hours of the institute are satisfactory, faculty members are able to balance out professional and personal life. They feel proud to be a part of their institutes

Innovation and change in work processes are given lesser preference by the institutes. Initiatives for these are taken at the top level itself and later discussed with the faculty members. At the same time faculty members too are not that willing to get involved in this as they feel that such changes disturbs well established process.

There are ample funds made available to faculty members for attending seminars, workshops, presentations, etc however, they are not necessarily linked with their career advancement plan. The institutes lacks proper career advancement plan for their faculty members. Faculty members feel that their peers have poor orientation and they are not much interested in initiatives like developing new training materials, writing research papers, etc. They feel that their peers are only interested in following the processes and don't want to acquire substantial Knowledge and simply want to strengthen their positions in the institutes.

**SUGGESTIONS AND RECOMMENDATIONS:**

On the basis of data analysis and findings made by the researcher, following suggestions have been given to improve organizational climate of the management institutes.

1. Institutes should have a well defined rewards and recognition system in place. Institutes can choose to have awards like sports awards, best teacher award, most popular award, longevity awards etc. the faculty members also be made aware of such awards and their criteria periodically.
2. Institute should involve faculty members for making decisions for the processes which are going to affect the staff members, student and the institute. Management can choose to have a few representative from the staff in the decision making process.
3. Innovation in work processes should be given importance by institutes. The faculty members should also realize that such improvement would benefit one and all. This process should be a joint effort between the management and staff.
4. Institutes should have an elaborate performance appraisal system for their faculty members in place. The appraisal of the faculty members should be conducted at least once in a year and should be unbiased.
5. Faculty members should often appraise themselves to judge their performance compared to the last year. They should asses the development they have made in improving knowledge and teaching skills and should never be complacent.
6. Importance and encouragement should be given by the management of the institutes to their faculty members in utilizing sanctionable grants for seminar, workshops.
7. Institutes should have a proper career advancement plans for their faculty members. The plan should clearly define short term and long term goals and these goals should be tracked by both the management and faculties themselves. Having this system in place would also help in appraising the faculty members during their performance appraisal.
8. To improve the orientation amongst the faculties about research and publications, institutes can allocate a quota of fund from the total fund available for research to each faculty member. The discretion of utilization of the fund can be left to the faculties and they can decide if they want to utilize it for publishing a paper or attending a seminar or for carrying out projects and consultancies. Management can take a detailed report about the utilization of the funds and can consider it as a criterion for performance appraisal at the end of the year.
9. All institutes should go for assessment and accreditation of their institutes by NBA, NAAC or similar bodies. This will automatically help to improve many shortcomings that institutes have right now and will help improve the overall climate.

#### **Limitations of the Study:**

Since a limited sample was taken, the results may not be truly generalizable. However, the study does throw some light on the various facets of prevailing Organizational Climate among the Management Education Sector.

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