

PRERANA

Journal of Management Thought and Practice

*A bi-annual journal from
GRG School of Management Studies
Coimbatore, India*

ISSN : 0974-908X
Volume: 12 Issue: 2
September 2020

Subscription rates

Per issue: Rs.300/-

Annual : Rs.500/-

Listed in EBSCO and Indian Citation Index (ICI).

Effects of Performance Management Practices on Employees' Productivity
[A Study of Nigerian Bottling Company Plc.]

Abdulraheem, Issa. [Ph.D] & Sanusi. Surajudeen Ishola

Exploring the Impact of Omni-Channel Retailing Strategy on
Organized Retail Stores: A Study of Grocery Products

Kiran and Krishan Kumar Boora

A Study of Employee's Perception on Well-Being Policies in Hotel Industry

Dr. Poonam Jindal & Veda Srujana

NPAs – Bane on Indian Economy: A Study on its Origin,

Causes & Recent Measures to Address the Menace

Shreya Makam

Intersection of Work and Life: A Conceptual Study

Dr. Bidya Dash and Bandana Sarangi

Sustainable Cost Optimisation through Value Engineering:

The Case of Grey Orange

Dhruv Diwan, Dr. Anita Kumar & Dr. Smriti Asthana

Teaching Case : IPO Dreams of Chopra &

Johar Production House Pvt. Ltd. (CJPH)

Pardhasaradhi Madasu



GRG School of Management Studies
PSGR Krishnammal College for Women



PRERANA: Journal of Management Thought and Practice

PRERANA in Sanskrit means hope and inspiration. The primary objective of PRERANA journal is to enhance the standard of management education by drawing from conceptual and empirical research based articles reflecting current industry practices. PRERANA shall include contributions from eminent members of the academia and sharing of practices by experts from industry. The Journal will also contain book reviews, editorial abstracts and executive summaries of recent publications in management.

The Editorial Board

Prof. S. Balasubramanian

Director
GRGCAS, Coimbatore

Dr. Geeta Pradhan

Dean, Faculty of Management
Tribhuvan University, Nepal

Dr. Hema Krishnan

Professor of Management
Xavier University, Williams College of Business
Cincinnati, Ohio

Dr. P. Sadhasivam

Director
GRG School of Management Studies
Coimbatore

Dr. Kamal Haddad

Professor
College of Business Administration
San Diego State University, San Diego

Dr. R. Mahadevan

Group Technical Director
India Pistons, Chennai

Dr. Nik Maheran Nik Muhammad

Associate Professor
University Technology Mara Kelatan, Malaysia

Mr. R. Varadarajan

Whole Time Director
Rajshree Sugars and Chemicals Ltd
Coimbatore

Dr. S. Viswanathan

Professor
Nanyang Business School
Singapore

Dr. Ms. N. Yesodha Devi

Secretary
PSGR Krishnammal College for Women
Coimbatore

Dr. S. Nirmala

Principal, PSGR Krishnammal College for Women
Coimbatore

Dr. Yudi Fernando

Deputy Dean, (Research & Postgraduate Studies)
Faculty of Industrial Management
Universiti Malaysia Pahang, Malaysia

Dr. T. Senthil Kumar

Senior Lecturer, Faculty of Industrial Management
Universiti Malaysia Pahang, Kuantan, Malaysia

Dr. Fotis Mitsakis

Senior Lecturer, Nottingham Business School - UK

Editor: Dr. B. Sripirabaa, Associate Professor

GRG School of Management Studies, PSGR Krishnammal College for Women,
Coimbatore

PRERANA: Journal of Management Thought and Practice

Volume: 12

Issue: 2

September 2020

CONTENTS

Title	Author(s)	Page No.
Effects of Performance Management Practices on Employees' Productivity [A Study of Nigerian Bottling Company Plc.]	Abdulraheem, Issa. [Ph.D] & Sanusi. Surajudeen Ishola	1
Exploring the Impact of Omni-Channel Retailing Strategy on Organized Retail Stores: A Study of Grocery Products	Kiran and Krishan Kumar Boora	12
A Study of Employee's Perception on Well-Being Policies in Hotel Industry	Dr. Poonam Jindal & Veda Srujana	23
NPAs – Bane on Indian Economy: A Study on its Origin, Causes & Recent Measures to Address the Menace	Shreya Makam	32
Intersection of Work and Life: A Conceptual Study	Dr. Bidya Dash and Bandana Sarangi	41
Sustainable Cost Optimisation through Value Engineering: The Case of Grey Orange	Dhruv Diwan, Dr. Anita Kumar & Dr. Smriti Asthana	50
Teaching Case : IPO Dreams of Chopra & Johar Production House Pvt. Ltd. (CJPH)	Pardhasaradhi Madasu	57

FROM THE EXECUTIVE EDITOR

It is my pleasure to place before you the second issue of the twelfth volume of '**PRERANA**: Journal of Management Thought and Practice.' The objective of PRERANA is to disseminate contemporary developments in the field of management in the form of empirical research that tests, extends or builds management theory and contributes to management practice. **PRERANA** encourages manuscripts that present strong empirical and theoretical contributions to the management field. Preference is given to submissions that test, extend, or build strong theoretical frameworks. **PRERANA**'s international and multi-disciplinary review team ensures maintenance of standards of excellence with regard to the quality of contents.

Abdulraheem, Issa and Sanusi Surajudeen Ishola examined the effect of performance management on employees' productivity in a Nigerian Bottling company. The study concluded that performance management if properly executed will enhance employee productivity particularly when premium is placed on constructive feedback and justifiable compensation.

Kiran and Krishan Kumar Boora analyzed the impact of omni-channel retailing strategy on the performance of grocery physical retail stores. They have concluded that performance of retail stores can be influenced by the rate of consumer retention that is increased by using Omni-channel strategy and a high level of consumer engagement.

Poonam Jindal and Veda Srujana studied employee perception towards organizational well-being policies in consideration of demographic factors like gender, age, tenure in the organization and various other factors like facilities, disability etc. in hotel industry.

Shreya Makam in her paper deals with the origin, causes and recent measures in addressing the menace of NPAs, which has become detrimental to the country's economy. She identifies the tools available for reducing NPAs.

Bidya Dash and Bandana Sarangi in their study tried to ascertain whether the work life balance practices availed by working women are contributing to their well-being in the present context. Also designed a conceptual model on the relationship between WLB and spirituality.

Dhruv Diwan, Anita Kumar, and Smriti Asthana in 'The Case of Grey Orange' illustrate how selecting an appropriate supplier based on the sustainability criteria (economic, environmental and social) can help companies move toward sustainable development.

Finally, Pardhasaradhi Madasu has come up with an excellent teaching case entitled 'IPO Dreams of Chopra & Johar Production House Pvt. Ltd. (CJPH)'.

I thank all the authors for their contributions towards the second issue of the twelfth volume of **PRERANA**. I look forward for novel, insightful and crafted conceptual work that challenges conventional wisdom concerning all aspects of organizations from academicians, bureaucrats and business executives for publishing in **PRERANA**. The focus of the articles could be on diverse aspects of management focusing on contemporary issues and future challenges.

- Dr. B. Sripirabaa, PhD

EFFECTS OF PERFORMANCE MANAGEMENT PRACTICES ON EMPLOYEES' PRODUCTIVITY

[A Study of Nigerian Bottling Company PLC.]

Abdulraheem, Issa. [Ph.D]¹ & Sanusi. Surajudeen Ishola²

ABSTRACT

The capacity of employee productivity in Nigeria has been below international best standard practices and this phenomenon could be traced to inadequate performance management system in place by these firms hence the need to examine the effect of performance management on employee productivity with particular reference to Nigerian Bottling company Plc. The specific objectives were to; determine the extent to which performance feedback affects company goals and also to examine effects of reward and compensation on employee engagement. The study employed survey research design where the target population comprises of both regular and casual staff of Nigerian Bottling Company Plc, ikeja plant, Lagos, Nigeria totaling 1536, using Krejcie and Morgan [1970] formula, a sample size of 307 was obtained. Two research assistants helped to collect relevant data for the study. Formulated hypotheses were tested with the use of Ordinary Least Square [OLS] method of regression at 0.05 alpha level of significance. The results show that there is a positive effect of performance management on employee productivity. Detailed regression analyses indicated that feedback [$F = 46.418$, $R^2 = 0.578$, $P < 0.05$] at 76%; and compensation [$F = 42,096$, $R^2 = 0.714$, $P < 0.05$] at 84.5% have significant effect on employee productivity. This means that effective performance management in terms of feedback and compensation positively influence employee productivity in terms of company goals and employee engagement. The study concluded that performance management if properly executed will enhance employee productivity particularly when premium is placed on constructive feedback and justifiable compensation which were prerequisites to securing higher impact on employee productivity. The study recommends that business organizations in Nigeria should adopt good performance management system in a manner that will allow effective feedback and adequate compensation of employees for maximum productivity efficiency.

Keywords: Performance Management, Feedback, Compensation, Company Goals, Employee Productivity.

1 Faculty of Humanities and Management Sciences, Department of Business Administration, Kwara State University, Malete. Tel; +2348060637110. abdulraheemissa@yahoo.com.

2 Bursary Department, Kwara State Polytechnic, Ilorin. Tel; +2348038357165, iyiolasanusi@gmail.com

INTRODUCTION

In order to enhance employee productivity, organizations in Nigeria today have placed premium on effective performance management system due to business environmental trends and in pursuant of operational efficiency together with the need to increase employee productivity [Robbins, 2007].

Performance management is very crucial both to employers and employees. Employers should adopt all means to secure employees' full support and understand how they contribute to the realization of the set goals whereas; employees on the other hand, work in consonance with management's all-round prescription of duty schedules. Muhammed, [2013] opined that business organizations in Nigeria can realize their set goals and objectives only by the integrated efforts of their teaming workers, and management has the duty of getting work completed as and when due. Employee productivity is a prerequisite to efficient running of firms; performance management therefore, is a vital element of the relationship that exists between an organization and its employees. It is basically an activity that cuts across every unit/department of an organization [Mullins, 2017].

Whether or not a firm is political, social or technical in nature, they are continually demanding extra ordinary skills, working efficiency, training capacity, better work-related attitudes and higher productivity from their workers. Krett, [2010] posited that these demands warranted the radical departure from the status-quo and gave birth to effective performance management system as a fundamental for assessing employees' productivity so as to secure conformity with standards as it is a practice that helps organizations to connect employer's goals to individual goals. Nishant, [2013] holds that performance management is a very wide concept which has to do with knowing and acting on the performance outcomes at each echelon of the firm, from individual employee, teams, units and departments to the organization at large.

Among these issues are leadership, motivation, decision making, innovation and risk taking. Performance management is described as a routine process of identifying, evaluating and developing the performance outcomes of individual employee and groups and harmonizing these performance trajectories with the long-term goals of the firm. An effective performance management system allows the organization to study and understand how productive its workers could be per period.

RESEARCH OBJECTIVES

The general objective of this study is to examine the effect of performance management on employee's productivity. The specific objectives are to;

- i. determine the effect of feedback on company goals
- ii. evaluate the effect of reward and compensation on employee engagement

RESEARCH HYPOTHESIS

The following hypotheses were formulated to guide the study

H_{o1} : Feedback has no significant effects on company goals

H_{o2} : Reward and compensation has no significant effect on employee engagement

CONCEPTUAL CLARIFICATIONS

Performance management is popularly used in the study of human resource management. It has also been adopted by authors in a variety of ways to explain different issues. Performance management deals with managing and reviewing performance, while the Oxford English Dictionary describes it as accomplishment and implementation directed or embarked upon.

Armstrong, [2011] regarded performance as a behaviour or the manner in which an employee, group or organization get work done. Performance management is defined as the mechanism structured to improve an individual and team's productivity which is propelled by line managers. Maina, 2015 posited that performance is all about aligning employer and employee objectives so as to achieve optimal performance. McNamaya, [2013] sees performance management as the process which evaluates the execution of a firm's strategy. Performance management is fundamentally connected with ascertaining the productivity shortfalls and how these shortfalls can be improved upon [Aguinis, 2017]. He probed further that these procedures involve the peaceful alignment of major objectives with employee productivity and appropriate performance feedback. Cokins, [2014] argues that performance management opens series of avenues for managers to outwit and improve on sudden changes in a short space of time, Bernard, [2003] opined that performance management is a total process of uncovering the overall employee performance to their respective units and departments.

Variants of performance management include but not limited to the following;

- i. feedback
- ii. reward and compensation

FEEDBACK

Mello, [2015] posited that feedback is a pointer to enhancing employee performance by creating a clear knowledge of their strengths and weaknesses. Employees receive feedback in nameless form or performance ratings from peers, superiors and subordinates. Feedback from more than a quarter such as subordinate, peers, superiors and others provides a very strong influence on employees than information from just an office such as their immediate bosses. Employees perceive such information from different sources as balanced, reliable, fairly correct and

encouraging. They are likely to feel enthusiastic to changing their attitudes and behaviours at work to command the respect of their colleagues than the accolades of their immediate supervisors [Gold, 2010].

Millet, [2008] stands that feedback is described as the extent to which the job presents the individual with clear and concise information regarding the efficiency and effectiveness of his performance. Feedback is a useful mechanism that is given to an individual employee to say what can be done to enhance performance.

Lima, [2015] categorized feedback into two; positive and negative feedback. Positive feedback also referred to as constructive type of feedback is the art of rolling out positive information to a trainee by the description of his performance at work place. Positive feedback has in its content messages that employees can use – meaning after giving a fair report about employees, it helps them to know the way to set fresh objectives for themselves and action plan that will point them to achieving the formulated objectives and thereby, increasing the level of productivity. Negative feedback, on the other hand, is a kind of criticism which can discourage and weaken learners' interests and enthusiasm and thereby, should be avoided, that is, negative feedback about an employee should come with enough reasons and explanations so that it will not be seen as a mere act of undue punishment which is capable of giving birth to withdrawal behaviours such as absenteeism, low productivity, lateness to work, turn over etc.

REWARD AND COMPENSATION

The study describes reward and compensation as the human resource management role that has to do with all kinds of remuneration which employees get in return for putting in their best by being contented, attracted to their tasks, and motivated to perform at their optimum strengths in order to achieve the laid down objectives [Abdulraheem & Sanusi, 2020].

Wikitionary describes reward as anything of value giving in return for an act which could be a payment, prize, bounty etc and as well describes compensation as the extinction of debts of which two parties are reciprocally debtors and by the credits of which they are reciprocally creditors. Both reward and compensation are summarily a recompense for a loss, sacrifice or service rendered.

Mondy [2010], argues that compensation is the totality of all financial and non-financial rewards giging to an employee in exchange of the services rendered and the major reasons for this are to attract, motivate and retain talents. In 1995, the American Compensation Association described compensation as the monetary and non-monetary emoluments given by an employer to employees for services rendered which sometimes go beyond the basic pay. Such payments are different and are not included in the basic salary.

Competent and talented employees are the major assets/resources of an organization and the rise and fall of these firms rally round employer's ability and

inability as the case may be, to appropriately identify, attract and retain these set of individuals [Armstrong, 2003]. Employees' readiness to remain in the service of a company largely hinges on the compensation package of such company. In a bid to secure optimal employees' performance and retention, organizations need to check different and appropriate means to pay/reward employees so as to obtain the desired results [Falola, 2014].

This study affirmed that the extent to which workers are contented with their job and their willingness to stay in an organization is a function of such firm's compensation packages and reward system.

EMPLOYEE PRODUCTIVITY

Productivity has to do with the effective and efficient deployment of a firm's resources. These resources comprise time, human, material, information, knowledge, finance, energy etc. Productivity is simply the input to output ratio. It measures the effectiveness and efficiency of how a firm uses inputs such as material, machines, labour and capital to bring about outputs such as goods and services.

An improvement in productivity shows that more goods and services are manufactured with the same amount of material, labour hours and capital [Lo, 2009]. It is not only about reducing costs, but doing things rightly and doing the right things to obtain optimum efficiency and more value. Simply put, productivity is described as the ratio of what is produced to what material, labour money required to do it.

In common terms, productivity is seen as a ratio between the output volume and the input volume. It, on the other hand, measures how effectively production inputs of material, labour and capital are being deployed in a firm to manufacture a given level of output. Productivity is said to be an important source of firm's growth and competitiveness and in that light, it is a major statistical information for various organization comparisons and their performance assessments. For instance, information provided about a firm's productivity is used to evaluate the influence of product and labour market control on an industry performance [Calabrese & Spadomi, 2013]

Productivity is performance mechanism comprising both of efficiency and effectiveness. It is the process of realizing individual, group and firm's goals and objectives by converting inputs of human, financial and material resources into outputs of goods, services and deliverables at a much reduced costs [Robbins & Judge, 2011]. Broman, [2004] asserted that one of the main interests of manufacturing companies is improving employees' productivity. It then shows the level or extent of output [sales, earnings and market share] attained from a specified input [material, labour hours and production costs] and it was stated that employees' knowledge; skills, abilities, attitudes and behavior impact productivity [Bukar, Sheu

and Idris, 2012]. Employee productivity is sine qua non to a firm's success. No company without a solid workforce will attain a lofty height. That is why it makes a lot of sense to skillfully expend time, energy and money on managing employee productivity. The management should ensure putting in place the right environment and procedures in the company to facilitate job satisfaction. This, in turn, will have positive impact on how committed and productive workers would be, and when a firm is able to secure a productive workforce, it will remain ably competitive in the industry.

Variants of employee productivity include but not limited to the following;

- i. company goals
- ii. employee engagement

COMPANY GOALS

Clearly defined goals are great for boosting the productivity levels because they are measures of productivity themselves. Some companies measure their workers' productivity by evaluating if they reached or even surpassed their targets. Communicating employees of their goals is a great way for them to have a target in mind. It is the perfect way to direct their energy towards productive tasks only. Goals setting also help alleviate any employee's doubts as they have a specific set of goals to pursue. Because they are already aware of all that need to be done, questions such as the following will not arise; who should do this? Are we on course? What are the actual deliverables? When is the due date? Since everything is clearly spelt out, in their goals, they will not be wasting time asking questions and consequently will deliver duly.

EMPLOYEE ENGAGEMENT

Performance management helps to boost employee engagement and productivity. Engaged employees stay longer and actively involve themselves in the workplace and yield better outcome. Improving levels of employee engagement is paramount to increasing productivity and optimizing return on investment.

An engaged employee is enthusiastic about his work and passionately becomes organization man. When an individual is engaged, the immediate supervisor feels it. It means that they are learning in and deeply care about their work, their teams and the organization at large. In contrast, when employees are not actively involved/engaged, the likelihood of their success is dramatically reduced even if they clearly know what they are supposed to achieve [Iqbal, 2016]. Engagement can be difficult to measure because part of the problems is that engagement is based on individual's subjective experience. There are many tools and methodologies out there for measuring this, but despite their sophistication, none is as powerful as a straight forward question – 'what are your [employee] feelings about your work?'

THEORETICAL FRAMEWORK

Performance management is built on certain theories and the one identified for this study is Equity theory and the study adopted it due to its pervasive use and underlying assumptions.

EQUITY THEORY

Equity is aptly seen as justice, impartiality or fairness. Adams, [1965] postulated that equity is described as the process whereby an individual is seen as being impartial and just in working relationship with others. And it is also an art since it requires an employee to possess certain requisite skills and these skills counters the latitude of comfortability that accompanies greediness so as to allow harmonious relationship with another employee's goals. The theory assesses an employee's perceived fairness of an employment situation and affirms that if there are known injustices, such an individual will change behavior and may go ahead to seek a remedy of the unfair situation.

The theory holds that firm's employees try to ensure equity among them. The theory takes into account the fact that employees are not concerned only with the total amount of compensation they get for their sacrifices, but also with the relationship of this reward to what others are paid. They compare the correlation between the services they rendered and what emoluments they receive in return with the inputs and rewards of others. Depending on one's sacrifices such as effort, wealth of experience, academic qualification, skills and abilities; an employee judges rewards such as salary grades, increments, promotion, recognition and other factors. The moment an employee detect disparity in their service-to-pay ratio relative to others, undue chaos sets in.

CONCEPTUAL MODEL

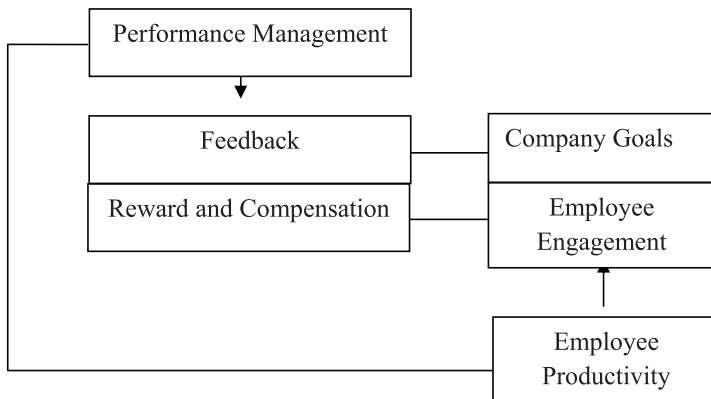


Figure1: Researcher's conceptual model, 2020

METHODOLOGY

This work adopted a survey research design. The population of the study comprised of one thousand five hundred and thirty six [1536] employees who includes the operating/casual staff, supervisors and managers of Nigerian Bottling Company Plc, Ikeja Plant, Lagos, Nigeria. However, using Krejcie and Morgan [1970] formula, a sample size of 307 respondents was obtained. These respondents were contacted to elicit data/information relevant to this study through administration of a well-structured questionnaire. Meanwhile, of these 307 copies of the questionnaire, a total of 288 were correctly filled and duly returned which implies a response rate of 94%. The data collected was analyzed using ordinary least square [OLS] regression method with the aid of statistical package for social sciences [SPSS] software [Version 20]. A 5-point Likert rating scale was adopted to categorize responses ranging from 5 point – strongly agreed down to 1 point – strongly disagreed to bring about needed information from these respondents.

TEST OF HYPOTHESES I

Hypothesis 1 [H_{o1}]: Feedback has no significant effect on company goals

To test hypothesis one, regression analysis was adopted and the results are as in the table 1 below:

The model specification for [H_{o1}] is stated as $Y = a_0 + B_1 x_1 + e$

Table 1: Regression results of the Effect of Performance Feedback On Company Goals.

Model	Unstandardized coefficients		Standardized Coefficients Beta	T	Sig
	B	Std. Error			
1. (Constant)	11.031	.520	.760	21.206	.000
Performance Feedback	.593	.087		6.813	.000
a. Dependent Variable: Company Goals					
b. R = 0.760 R ² = 0.578 F = 46.419 DF = 312					

Source: Researcher's Computation, 2020.

Table 1 shows that company goals = 11.031 when all other variables are held constant. Company goals would increase by 0.593 when there is an increase in performance feedback by one unit, while other variables remain constant. However, the result indicate that feedback has positive and significant effect on company goals as a possibility of p-value = 0.000 < 0.05 (B=0.760, t-value 6.813, p < 0.05) and since p-value < 0.05, the null hypothesis which stated that feedback has no significant effect on company goals is rejected, thus the alternative that feedback has significant effect on company goals is hereby, accepted.

This implies that when the organization adopts workable performance management system, there will be 76.0% improvement on the way things are done.

In other words, employees enjoy working in a positive feedback settings and proper reward system hence increasing satisfaction that brings about higher productivity.

Result of the hypothesis tested implies that there is a significant effect of feedback on company goals. This result supported the findings of Akpua (2019), who affirmed that there is a positive relationship between 360 degree feedback appraisal and employee productivity which ultimately impact organizational performance.

Test of Hypothesis II [H_{02}]: Compensation has no significant effect on employee engagement.

To test hypothesis two, regression analysis was adopted and the results are as in the table below:

The model specification for [H_{02}] is stated as $Y = a_0 + B_1 x_1 + e$

Table 2: Regression results of the Effect of Compensation on Employee Engagement.

Model	Unstandardized coefficient		Standardized Coefficients	T	Sig.
	B	Std. error	Beta		
1. (Constant)	4.034	.230		17.576	.000
Reward and Compensation	.218	.034	.845	6.488	.000
a. Dependent Variables: Employment Engagement					
b. R = 0.845		R ² = 0.714	F = 42.096	DF = 312	

Source: Researcher's Computation, 2020.

Table 2 above holds that employee engagement = 4.034 when all other variables are held constant. Employee engagement would increase by 0.218 when there is an increase in reward and compensation by one unit, while other variables remain constant. However, the result indicates that reward and compensation has positive and significant effect on employee engagement as a possibility of p-value = $0.000 < 0.05$ ($B=0.845$, t-value 6.488, $p < 0.05$). and since p-value < 0.05 , the null hypothesis which stated that reward and compensation has no significant effect on employee engagement is rejected, thus the alternative that compensation has significant effect on employee engagement is hereby, accepted. This implies that when the organization adopts fair and justifiable compensation package over time, there will be 84.5% improvement on the ways of working hence, employees are actively engaged. In other words, employees enjoy working under impartial compensation plan hence increasing productivity.

Result of this hypothesis tested indicates that reward and compensation has a significant effect on employee engagement. This is consistent with the findings of Adedayo (2017), who observed that performance management, if well implemented improves employee productivity especially when more emphasis is placed on positive feedback and a compensation package that will favourably impacts productivity of employees.

DISCUSSION OF FINDINGS

Resulting from the analyses above, it was shown that employee productivity in terms of company goals and employee engagement positively correlate to performance management with numerical significance weighed by feedback and compensation. It was also discovered that the two hypotheses have strong relationship considering the value of their results of 0.760 and 0.845 respectively.

CONCLUSION AND RECOMMENDATIONS

The study turns out to be very imperative because today's firms are striving to elicit the best from their teaming employees and this is better achieved when businesses sustained appropriate performance feedback, adequate compensation, setting attainable goals and effective and efficient employee engagement by sustaining an all-time constructive feedback and motivating compensation plans hence, increasing employee productivity on the job.

The study then recommends considering the findings that business organizations in Nigeria should adopt good performance management system in a manner that will allow effective feedback and adequate compensation of employees for maximum efficiency.

REFERENCES

- Aguinis, J. [2017]. Performance Appraisal, Performance Management, and Improving Individual Performance: A Motivational Framework. *Management and Organizational Review*, 2[2].253-277.
- Armstrong, M. [2009]. Armstrong's handbook of human resource management practice. London; Kogan Page.
- Armstrong, M. [2011]. Human Resource Management Practice. London and Philadelphia. Kogan Page Ltd.
- Atwater, L. [2015]. Self-agreement: comparing its relationship with performance in the US and Europe. *International Journal of Selection and Assessment*, 13; 25-40.
- Banjko, J. [2012]. Organizational Performance Management, Evaluating and Improving Organizational Authenticity Consulting, LLC. Inch Publications.
- Bernard, M. [2003]. The impact of performance management on organizations. *Journal of Business management and Economics*. 2 [3], 124-130.
- Broman, K. [2004]. Performance Management Effective System and Employee Job Commitment. *International Journal of Management*, 2[1], 1 – 13.
- Bukar, A. [2012]. Implementation and Effectiveness of Performance Management System in Alfalalah Bank. *Journal of Public Administration and Governance*, 4[4].111-121.
- Calabrese, M. [2013]. A Comparative Approach to Performance Management in France and Germany; The Impact of the European and Country Specific Environment. *European Journal of Management*. 2[2], 208-227.

- Cokins G. [2014]. Performance management effectiveness in the Banking Industry: A look from performers and a role of interactional justice. *Journal of International Business and Cultural Studies*. 3[4], 1 – 22.
- Falola, K. [2014]. Performance management and Evaluations in Manufacturing Firms. *Journal of Performance Management*. 5[4], 23-30.
- Iqbal, S. [2016]. Performance management: Measure and Improve the Effectiveness of Employees. Boston; Harvard Business School Publishing.
- Krett, L. [2010]. Different Relationship Between Perception and on developmental Performance Appraisal and Work Performance. *Personnel Review*, 36[3], 378-397.
- Lee, M. [2009]. The Effects of Appraisal Review Content on Employees' Reaction and Performance. *International Journal of Human Resource Management*. 1[2]. 283.
- Lima, C. [2015]. Productivity Reporting by Australian Public Sector Organizations: Why they Report. *Accounting Forum*, 3[3], 89-92.
- Maina, M. J. [2015]. Effect f Performance management System on Employee Performance: A Study of Food and Agricultural Organizations. M.Sc Thesis, Chandaria School of Business, United State International University.
- McNamara, C. [2013]. Field Guide to Consulting and Employee Development: A Collaborative and Systems Approach too Performance, Change and Learning. Minneapolis Autenticity Consulting LLC.
- Mello, J. [2015]. Building 350 Employee productivity: Ivey Business Journal, retrieved from <http://iveybusinessjournal.com/publication/building-360-employee-productivity>.
- Millet, D. [2008]. Performance management: Pariah or Messiah? *Public Personnel Management*, 31[20], 161-178.

EXPLORING THE IMPACT OF OMNI-CHANNEL RETAILING STRATEGY ON ORGANIZED RETAIL STORES: A STUDY OF GROCERY PRODUCTS

Kiran¹ and Krishan Kumar Boora²

INTRODUCTION

The retail industry worldwide is witnessing integration of physical store and digital online sales, this digital revolution with a shift towards a blend of physical store and digital online sales is called Omni-channel retailing. Omni-channel retailing is not a very old concept. It was first time used in 2003 when WALMART tried to use with Best Buy deal. Omni-channel is a modern concept to capture the customer's attention. Today every consumer has different need and requirement nobody can shop with one medium. Consumers of all generation shop online, in-store purchasing, mobile shopping, agent marketing, etc. (e-commerce research report, 2018). Omni-channel is an experience of consumers and retailers, it shows that how consumers interact with a brand and use technology for window shopping, make shopping, get coupons, ask questions, give feedback and refer to their friends. In the case of retailers, Omni-channel retailing is helpful to connect with their customers and developing an effective marketing strategy to ensure a positive customer experience towards all channels (Mayne, 2014).

ONLINE RETAILING AND OMNI-CHANNEL STRATEGY

Omni-channel is beneficial for an online retailer to promote its product using social media and consumers can access their brand 24/7. This interaction between consumers and retailers can be direct or indirect using online shopping, FACEBOOK for a special offer. Indirectly, a consumer can post about their brand, give reviews, and post their experience to friends. In this way, a retailer can understand how to engage their customers. The leading retailers take such opportunities to make policies, implement with skilled staff and gaining long-term benefits with healthy interaction and positive consumer experience.

PHYSICAL STORES RETAILING AND OMNI-CHANNEL STRATEGY

Physical stores retailing is facing cut through competition from online retailing, in this time Omni-channel retailing is a golden opportunity to capture their consumer through all channels. Today's consumers give preference to convenience shopping, it can be online or offline. Some time consumers place the order through online mode and pick-up the product from the store. Retailers should pay attention to their

1 Research Scholar BPSMV Khanpur Kalan, Sonipat, Email id-bangarwakiran@gmail.com

2 Assistant professor BPSMV Khanpur Kalan, Sonipat, Email id -krishanboora@gmail.com

e-commerce efforts with Gen-Z and Millennial expecting brands to meet their high expectations. Retailers need to make sure every facet of the shopping experience, online and in-store (Mroz, 2018). This is a touch point technology to capture their customers, from mobile to web to store. It is a seamless customer journey to create a unique retail environment and separate their stores from traditional retailers.

For the successful implementation of the Omni-channel strategy, it is required to collect the data about the shopping habits of consumers, the rate of retention in-store and online shopping. This helps retailers to decide to upgrade store infrastructure for in-store experience or digitalization of stores for increasing online shopping experience. Omni-channel retailing is starting with small changes and high growth for the business.

According to a report published by Knight Frank and RAI Omni-channel retailing is fuel to the retail market and the current growth rate is INR 871 bn and is expected to attain INR 1,718 bn by the end of 2019. The current rate of contemporary retail is 19% and expected to increase to 24% in the next three years due to Omni-channel retailing. According to retailers' responses, modern retail will grow very fast by using Omni-channel retailing (Bijan and kumar, 2017). As a consumer prospective Omni-channel retailing is effective to connect with the consumer because they have a scarcity of time, traveling extensively and juggling between work and home life. Therefore, the consumer is all the way connected through social media (facebook, whatups, instagram, twitter) to express their opinion. During traveling they generally used smart phones, laptops, and tablets to utilize their time. Technological advancement is a supporting factor in growing the Omni-channel strategy. From a global perspective, global companies are using Omni-channel retailing to reach their customers. They have to work on this strategy for more than 10 years and Indian retailers getting experience from global companies. Keeping in view the changing facets of retailing this study is an endeavor to explore the impact of omni-channel retailing strategy on the performance of organized retail stores in case of grocery products.

REVIEW OF LITERATURE

Extent available literature shows that advance distribution channels of marketing make an impact on the sales of retail firms. This section focuses on major studies on the topic of Omni-channel. Increasing online shopping habit of a consumer is a sign of the modernization of traditional retailers. Traditional retailers need to build and develop an effective Omni-channel retailing to serve their customers with seamless technology. Omni-channel is an expanded form of multi-channel. Lazaris & Verchopoulos (2014) explained the journey of Omni-channel retailing through a chronological review process. This new strategically concept arises from the notion click and brick. A study was conducted on some possible advantages

and disadvantages of multichannel retailers. Edoardo F. et. al., (2016) explained that the migration effect is more significant at the initial stage of multichannel retailing but after some time the retailers are required some new technology to put the competition and to capture the large market share. Therefore, after some time multichannel retailing was not so popular and retailers now shift on Omni-channel retailing.

Ishfaq, R. et.al, (2016) stated that developing a consistent Omni-channel distribution process for physical stores play a bigger role in order of fulfillment and delivery. This study helps retailers to evaluate their strategy and identify some needed realignment effort. Effective supply chain management can be operating a large scale of storage networking. Growing online sales means discovering some new logistic models of Omni-channel retailing. Hubner, A., et.al. (2016) develop a new framework of order fulfillment in grocery retailing. It starts with warehouse and in store picking end with attended of unattended home delivery. The framework of effective logistic Omni-channel grocery planning depends on country-specific, retailer-specific and consumer behavior.

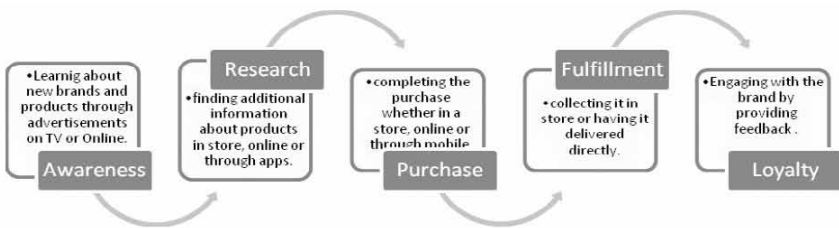


Figure 1. Omni-channel Purchasing stages

Sources: Survey by Deloitte consume, 2013

MULTICHANNEL TO OMNI-CHANNEL

Prior investigation concerning the channel of retailing and its impact on sales performance suggests that the use of advanced marketing strategy can build strong market leadership. Chopra S. (2016) explained that Omni-channel retailing is advancement in supply chain management. It is a hybrid structure of retailing that is converting multichannel into Omni-channel with seamless technology in retailing. Bell et.al. (2014) focused on retail preparation to win with Omni-channel retailing and some strategic effort to implementing effective Omni-channel retailing. Omni-channel retailing is an opportunity to fill the gap between online and offline retailing. It would be very effective in the Indian market due to the increasing role of online channels and liberal FDI policy. If the consumer knows about the whole fulfillment matrix they can easily place their order and pick the things as per their choice. Shetty A. et.al. (2018) studied measuring consumer behavior and responses about shopping channels. How traditional consumers convert into a new method of

retailing. Today consumers are not loyal with one brand they shift towards another brand very fast above study represents the difference between loyal and disloyal consumer and also give some suggestion for converting a disloyal consumer into a loyal consumer. Rouquet, A. et.al. (2018) focused on different Omni-channel retailing strategies and major focused on delivering, value chain analysis, and logistics. Berman, B., & Thelen, S. (2018) examined the relationship between multichannel and Omni-channel retailing. Comparative analysis was based on theoretical criticism based on a review of the literature. Online and offline both concept creating channel disputes in the mind of the consumer but overall both give facilities with the use of a new method of retailing. Offline consumers are very loyal and satisfied with physical retailing and online consumer-facing some problems in the quality of products. For avoiding such problems innovation of Omni-channel is a better option in the technological environment where major challenges put by the consumer for supplying the product as per their requirements Hult et. al. (2019).

Yan R. (2010) deliberated on the multiple channel design problem to build up a theoretical game model to establish the market structure and branding strategy. It was found that branding strategy and market structure exists for the dual-channel stores of a multi-channel retailer. In this study, it is observed that a multi-channel strategy is more successful for brand positioning and differentiation. Moreover, the market structure is powerful if the consumers extend additional preference to brands. Xubing, (2009) explored the strategic effect of price advertising and the impact of diversity in advertising on the implementation of multi-channel retailing. The result revealed that multi-channel retailing and price advertising generates a diverse effect, depending on competitive market conditions, nature of products, cost of retailers and competitor's strategies. Multi-channel retailers advertise their products in-store prices by online than the consumer return to physical store purchasing when online sales are low down. This study suggests that local retailers require making use of the internet for adopting multi-channel to connect nationwide and to increase the profitability of the business. Muzellec et al. (2014) modeled competition in a multi-channel environment from a strategic point of view and found that the channel integration and configuration of retailers showed a variety of approaches leading to eight diverse retail channel strategies for marketing. Eleonora & Milena, (2015) focused on integrated environmental factors and consumer behavior towards multi-channel retailing by a behavioral model of S-O-R. It showed that the store atmosphere based on both technological and traditional factors supporting shopping. The mixture of these factors influences consumer behavior for purchase decisions and measuring the consumer perception about the retail environment and diverse channels for purchasing.

Fornari E. et al. (2016) explored the multi-channel retailing in the framework of measuring consumer behavior when pure online retailers also open physical store. Their study focused on a pure online model of retailing to multi-channel to

open with a physical store. It found that long term synergy among the two channels depends on brands offered in the stores rather than the experience of shopping. Paul & Enrico, (2016) examined the impact of the sales force on multi-channel retailing. It was found that sales forces give less focus on the sale of products and more focus on order taking and giving advice to their clients in the context of B2B. The result of the study indicated that a multi-channel strategy is helpful in reformulation of distribution strategy and effective sales forces management policies.

RESEARCH GAP

Omni-channel retailing is a new concept in India. This is used by only a few retailers and these are big retail shops. After a deep review of Omni-channel retailing, it was found that perception and awareness of Omni-channel were already done by previous researchers but their impact on organized retail stores is not yet studied.

OBJECTIVE OF THE STUDY

To measures the impact of the Omni-channel retailing strategy on grocery products at the organized retail stores.

HYPOTHESES TESTING

- H_1 : There is a significant impact on consumer retention through Omni-channel retailing on the performance of retail stores.
- H_2 : There is a significant impact on consumer engagement through Omni-channel retailing on the performance of retail stores.
- H_3 : There is a significant impact of technological advancement through Omni-channel retailing on the performance of retail stores.

RESEARCH METHODOLOGY

The current study was conducted for measuring the impact of an Omni-channel retailing strategy on grocery retailing in India. The impact of Omni-channel strategy measures by customer retention, customer engagement and technological advancement as independent factors and performance of organized grocery retail stores considered as dependent factors. For achieving the above objective a survey was conducted by using a semi-structured questionnaire. The respondents were stores owner of grocery retail and their representative those provide correct information about customer dealing. The total number of respondents were 100 selected through a random sampling method. The area of the study was NCR Delhi, India. The survey was conducted from January 2019 to April 2019. The questionnaire was based on a five-point Likert scale and the scale here, 1 means strongly disagree and 5 means strongly agree.

RESULT AND DISCUSSION

Data collection and analysis

The data collection was based on the semi-structured questionnaire developed by the researcher. This was an exploratory study so the questionnaire was edited and reformatted with the help of expert views. Before collecting primary data, a pilot study was conducted to get a fair understanding of the current status of the Omni-channel distribution strategy and some other changes were done as per the respondent suggestions during the pilot study. In the pilot study, 30 respondents were selected as a consultant or providing guidance for framing the questionnaire as per current distribution channel Hubner et.al (2016). This process was very helpful in framing a reliable questionnaire. The data were analyzed using correlation and regression methods. During the analysis, the study was represented and compared by using the proposed research framework Muzellec et al. (2014). We used the statistical application software SPSS 21 version and MS EXCEL to analysis the entire process. Initially, descriptive and exploratory statistics was applied to prove the framing hypothesis. The statistical method correlation analyses and regression analyses were used for checking inter factors relationship and factorial impact. Subsequently, the result has been presented by appropriate tables, diagrams, and graphics. The research questions asking form respondents were statement types question on three independent and one dependent variable. This is an exploratory type of study because no study was conducted with variables that were under study.

RELIABILITY ANALYSIS

The reliability test of all variables was done by using SPSS 21. And the computed value of all the variables (Table I) shows reliability at Cronbach's Alpha value which was more .70. The value of reliability test was .841 of 7 items (consumer retention), .796 of 5 items (consumer engagement), .740 of 4 items (technological advancement) and .925 of 7 items (performance of retail stores) all 23 items were under study. The lowest limit of Cronbach's alpha value was suggested by the Hair, Anderson and Black (2010) to be .70, and if all the variables are under this limit can be reliable for study. All the variables of the current research study having good reliability value. No variables (consumer retention, consumer engagement, technological advancement and performance of retail stores) have less than Cronbach's alpha .70 and all variable are reliable for further analysis.

DATA NORMALITY GRAPH

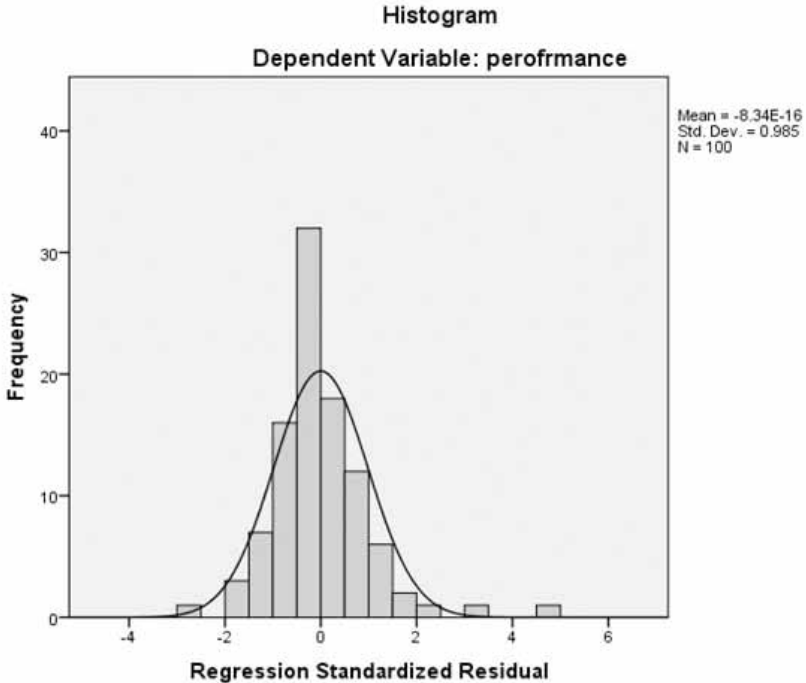


Figure 2. Histogram

As per figure 1.2, the data was fitted at the distribution line and represented the normal distribution, the height of the bar follows the line. After getting normality in data the further analysis can be done by using a parametric test.

DESCRIPTIVE STATISTICS

The summary of table II demonstrates the mean and standard deviation value of every variable in factors consumer retention, consumer engagement, technological advancement and performance of retail stores.

REGRESSION AND CORRELATION ANALYSIS

Correlation analysis

Table IV shows the show the strength of the linear relationship between variables. The range of coefficient correlation can be from a perfect negative correlation to a perfect positive correlation (-1.0 to 1.0). The value of coefficient correlation is satisfactory at .626, .660 and .703 at p-value .000 which represents a significant relationship between all the variables.

Multiple Regression Analysis

As per the result of table IV model summary of multiple Regression analysis, the value of R (Multiple Correlation Coefficient) .771 indicates the good prediction level. The next value of R square (determinant of coefficient) is the proportion of variance in the dependent variable and explain by the independent variables and the value is .594 means independent variables explain 59.4% of the variability in the dependent variable. The value of adjusted R square more accurately explains the study with the value .581.

STATISTICAL SIGNIFICANCE

As per the result of the ANOVA table explain by F ratio which shows the overall model fit value. The result of table V shows that the independent variables are significantly impacting on the dependent variable, $F=46.757$, degree of freedom 3, 96 and $p<0.005$ represent the regression model is a good fit.

PROPOSED RESEARCH FRAMEWORK

The proposed research framework was designed to see the relationship between dependent and independents variables. This is helpful to understand the relationship between dependent and independents variables and also shows the hypothetical relationship between the variables.

Independent variables

Dependent variable

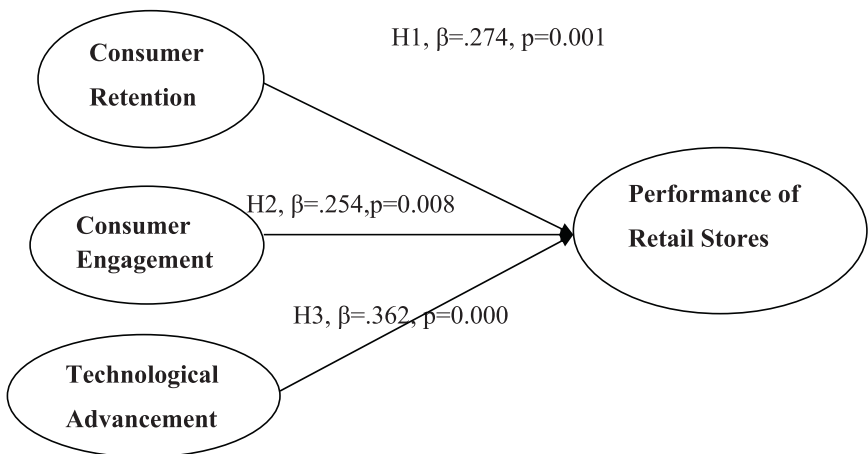


Figure 3. Proposed a hypothetical framework

CUSTOMER RETENTION

The level of significance H1, $\beta=.274$, $p=0.001$ that was less than p-value 0.05 explains that Customer Retention through Omni-channel retailing significantly impacting the performance of grocery retail stores. Therefore the H1 hypothesis is accepted.

CONSUMER ENGAGEMENT

H2, $\beta=.254$, $p=0.008$ that was less than p-value 0.05 and Customer Engagement through Omni-channel retailing significantly impacting the performance of grocery retail stores. Therefore the H2 hypothesis is accepted.

TECHNOLOGICAL ADVANCEMENT

Technological Advancement through Omni-channel retailing in the distribution process shows a significant impact on the performance of grocery retail stores with H3, $\beta=.362$, $p=0.000$, that was less than p-value < 0.05 and shows the strong impact on the performance of grocery retail stores. Hence, the H3 hypothesis is accepted.

MANAGERIAL IMPLICATION

The finding of the study will help the marketing managers to understand the impact of Omni-channel retailing on the performance of grocery retail stores. It can help to owner and investor of a retail firm to take appropriate decisions for distribution marketing strategy. It can measure the performance of retail firms by increasing the level of sales, positive attitude of consumers, convenience supply of products, increasing consumer retention level, etc. It can suggest some innovative modifications in the present distribution strategy.

DISCUSSION AND CONCLUSION

Prior studies examining the effect of multi-channel marketing strategies on sales of store retailers indicate that the multichannel retailing method affects the current and future performance of retail stores Yan R. (2010). In particular, innovation in the distribution channel in the future of retailing. It captures the interest of the consumer, retains and gain youth consumer and gaining competitive advantages. Omni channel retailing is a new look for the retail market. For the long-time period, the consumer gives more preference to their convenience shopping and Omni-channel retailing is a high convenience distribution strategy Alexander et.al. (2016).

In the vibrant market situation and the restrictions between physical retailing and online retailing rapidly blurring, they have no option other than to adopt seamless technology. Omni-channel retailing is an advanced stage of multichannel retailing in the distribution process. Today consumers are easily shifting towards convenience

buying. They are highly attracted to new technology likes to technological change in their life. Now consumer retention is not possible through providing gift value or some additional benefit in shopping but needs to develop an innovative distribution channel. This study analyzes the impact of omni-channel retailing strategy on the performance of grocery physical retail stores. The performance of retail stores can be influenced by the rate of consumer retention that is increased by using Omni-channel strategy, a high level of consumer engagement and provide convenience shopping experience by using advanced technology. Therefore by using Omni-channel retailing strategy marketers can adopt change in the current distribution process and consumer rate of retention, consumer engagement, and technological advancement will be increased.

REFERENCES

- A Shivakanth Shetty, Jeevananda S, Jayanth,R. Kalghatgi (2018), "How to win back the disgruntled consumer? the omni-channel way", *Journal of Business and Retail Management Research*, Vol. 12 No. 4, pp. 223-231. available at: <https://search.proquest.com/docview/2080783060?accountid=195353> (accessed on May 2019).
- Baijal, S. and Kumar, R. (2017), "Think India Think Connected Retail, Research Report by Knight Frank and Retail Association of India", available at: <https://content.knightfrank.com/research/317/documents/en/think-india-think-connected-retail-2017-4441.pdf> (accessed on June 2019).
- Bell, D. R., Gallino, S., & Moreno, A. (2014), "How to win in an omni-channel world", *MIT Sloan Management Review*, Vol. 56 No.1, pp. 45-53. available at: <https://search.proquest.com/docview/1627694540?accountid=195353> (accessed on May 2019).
- Berman, B., & Thelen, S. (2018), "Planning and implementing an effective omni-channel marketing program", *International Journal of Retail & Distribution Management*, Vol. 46 No. 7, pp. 598-614. available at: [doi:http://dx.doi.org/10.1108/IJRDM-08-2016-0131](http://dx.doi.org/10.1108/IJRDM-08-2016-0131)(accessed on May 2019).
- Brigitte de Faultrier, J. B., & Florence Feenstra, L. M. (2014), "Defining a retailer's channel strategy applied to young consumers", *International Journal of Retail & Distribution Management*, Vol.42 No. 11, pp. 953 - 973.
- Bruce Griffin, S. D., & Green, R. (2016), Omnichannel: The future of department store retailing, London: Rockpool Digital.
- Chopra, S. (2016), "How Omni-channel can be the future of retailing", *Decision*, Vol.43 No. 2, pp.135-144.
- Edoardo, F., Fornari, D., Grandi, S., Menegatti, M., Hofacker, C.F. (2016), "Adding store to web: Migration and Synergy effects in Multi-channel Retailing" *International Journal of retail Distribution Management*, Vol. 44 No. 6, available at: <http://dx.doi.org/10.1108/IJRDM-07-2015-0103> (accessed on May 2019).
- Eleonora, P., & Milena, V. (2015), "Engaging consumers on new integrated multichannel retail settings: Challenges for retailers", *Journal of Retailing and Consumer Services*, Vol. 25, pp. 106-114.
- Erik Brynjolfsson, Y. J., & Rahman, M. (2013), Competing in the Age of Omnichannel Retailing, Solan: MIT .
- Exclusive 2014 Survey Report: The Omnichannel Challenge: Strategies That Work. U.S.A: Oracle Retail.*

- Gerd Bovensiepen, S. B., & B. M. (2015), The 2015 Global Omnichannel Retail Index: The future of shopping has arrived.
- Hubner, A., Holzapfel, A., & Kuhn, H. (2016), "Distribution System in Omni-channel Retailing", *Business Research*, Vol. 9, pp.255- 296.
- Hubner, A., Kuhn, H., Wollenburg, J., (2016), "Last Mile Fulfillment and Distribution in Omnichannel Grocery Retailing", *International Journal of Retail & Distribution Management*, Vol. 44 No. 3, pp. 228-247. available at: <http://dx.doi.org/10.1108/IJRDM-11-2014-0154> (accessed on May 2019).
- Hult, G. T., Sharma, P. N., Morgeson, F. V., & Zhang, Y. (2019), "Antecedents and consequences of customer satisfaction: Do they differ across online and offline purchases?", *Journal of Retailing*, Vol. 95 No. 1, pp. 10-23.
- Ishfaq, R., Defee, C.C., Gibson, J.B., Raja U. (2016), "Realignment of the Physical Distribution Process in Omni-channel Fulfillment", *International journal of Physical Distribution & Logistic Management*, vol. 46 No.6, PP. 543-567.
- Kamath, R. (2015), The retail chain is focusing on omnichannel services and opening new stores to fend off rivals, Mumbai: Business Standard.
- Lazaris, C. & Verchopoulos, A. (2014), From Multichannel to Omni-channel retailing: Review of Literature and Call for Research, conference paper, <https://www.researchgate.net/publication/267269215>
- Mayne, L. (2014), Omni-channel Commerce: How it Really work and where it's going, research report by changestore.com
- Paul, L., & Enrico, C. (2016), "The multi-channel impact on the sales forces management" *International Journal of Retail & Distribution Management*, Vol. 44 No. 3, pp. 248 - 265.
- Peltier, S. C., & Dixon, A. (2016), "Omni-channel research framework in the context of personal selling and sales management A review and research extensions", *Journal of Research in Interactive Marketing*, Vol. 10 No. 1, pp. 2 - 16.
- Rafay Ishfaq, C. C., & Raja, U. (2016), "Realignment of the physical distribution process in omni-channel fulfillment", *International Journal of Physical Distribution & Logistics Management*, Vol. 46 No.6, pp. 43 - 561.
- Rouquet, A., Henriquez, T., & Paché, G. (2018), "Omni-channel strategies: An exploratory typology to better understand logistical dimensions", *IUP Journal of Supply Chain Management*, Vol. 15 No. 4, pp. 7-26.
- The 2019 Omni-channel retail report: Generational consumer shopping behavior comes into focus, <https://www.bigcommerce.com/blog/omni-channel-retail/#why-us-consumers-shop-where-they-shop>
- Total Retail 2015: Retailers and the Age of Disruption: PwC's Annual Global Total Retail Consumer Survey, PwC.
- Verhoef, P. C., Kannan, P., & Inman, J. J. (2015), "From Multi-Channel Retailing to Omni-Channel Retailing Introduction to the Special Issue on Multi-Channel Retailing", *Journal of Retailing*, Vol. 91 No.2, pp 174–181.
- Xubing, Z. (2009), "Retailers' Multichannel and Price Advertising Strategies", *Marketing Science*, Vol. 28 No. 6, pp. 1080–1094.
- Yan, R. (2010), "Product brand differentiation and dual-channel store performances of a multi-channel retailers", *European Journal of Marketing*, Vol. 44 No. 5, pp. 672 - 692.

A STUDY OF EMPLOYEE'S PERCEPTION ON WELL-BEING POLICIES IN HOTEL INDUSTRY

Dr. Poonam Jindal* and Veda Srujana**

ABSTRACT:

Organizations have their own interpretation in terms of defining well-being of employees and designing the policies for that. Generally, wellness moves around physical health. For employees to perform well, they don't need only physical wellness, but also should feel supported, connected and balanced psychologically and socially. This paper deals with wellbeing parameters such as physical, psychological and social relational at workplace. A 20-item questionnaire is prepared to do the primary survey and taking the employees perception about those policies which are covering these wellbeing areas. The three main categories of wellbeing- physical, psychological and social relational are taken from Talent Management Handbook of Berger and Berger (2012). The statistical analysis is done to analyse the responses of respondent and suggestions are given to company based on findings of survey.

INTRODUCTION:

Well-being parameters such as stress at work, work engagement, job satisfaction, relationship at work etc. have been topics of study for many years. Their impact on well-being and eventually on employee performance have gained greater importance in academic and practitioner research in the recent past. Healthcare researchers use the term health to describe "A state of complete physical, mental and social well-being and not merely the absence of disease or infirmity" (World Health Organization, 1946). Workplace well-being relates to all aspects of work life, from the quality and safety of the physical environment, to how workers feel about their work, their working environment, to the climate at work and work organization, according to the International Labour Organization (ILO). The researchers in this paper define employee well-being to include all the aspects of well-being- the physical, mental, career and financial well-being of employees. Literature review indicates that previous researchers in the area focused on various work related aspects that create either positive or negative impact on employee well-being. Well-being of a person is categorised into Physical, Mental well-being etc. According to a study in Australian Organizations, physical Well-being is the most focused one in the organization because it can indirectly target employees physiological need also. Organizations investing in well-being policies and activities are getting more than their ROI (McCarthy, Shamika and Julia, 2011). Not only physical and mental well-

* Assistant professor, HRM and OB, Vignana Jyothi Institute of Management, Hyderabad

** Student, Vignana Jyothi Institute of Management, Hyderabad

beings but other well-being should also be taken care of. According to the research among employees from different organizations it was evident that organizations are planning and implementing physical and health well-beings separately and they are also successful in doing so (Bakker & Oerlemans, 2011)

LITERATURE REVIEW:

Usually employers think that if organization has good strength of engaged employees then there is no need for them to think about any other factors. But that is a misconception (Abeer Imam and Shafique, 2015) and there is no relation between few well-being factors and employee engagement. So, employer should consider each factor which doesn't depend on engagement and work on it. There are many ways to make an employee engaged, one of them is maintaining and implementing proper policies related to them. How much an employee should be engaged is more important compared to how should organizations engage them (Geeta and Shaikh, 2017). Another research about the engagement activities in hospitality sector focuses on the gap between employee perception and actual engagement activities of a travel company (Jindal and Shaikh, 2016).

In some cases, following schematic procedure to implement and maintain policies lead to negative performance. Employee reactions and attitudes related to the implementation of various kinds of managerial policies are very volatile and High-performance work systems lead to job dissatisfaction, fatigue, job stress and imbalance between work and non-work life. So, HPWS linked with rewards and benefits leads to positive results (Macky and Boxall, 2009). In the current era of technology and inventions, organizations are relying on human capital to get their returns and to sustain in the competitive market. But they are neglecting the concern and well-being of employees (Langove, Isha and Javaid, 2016). Focussing more on well-being related matters leads to growth.

Taking care of wellness programs leads to reduction in health care costs (Aldana, Merrill, Hardy and Hager, 2005). After analysing the dependency of wellness based on the chosen variables it was found that, employees' participation in this programme led to reduction in absenteeism. Few of the researchers are talking about the con side of the coin, i.e. about Return on Investment (ROI) related to well-being costs (Jim Purcell, 2016). Various questions in relation to control of costs has aroused. Not just Implementing the programs, but measuring their effectiveness is also one of the most important factors. So, the factors for measuring effectiveness and evaluating objectives should be clearly. Work life satisfaction, social relations, mental health etc are few factors that should be considered at any cost for measuring effectiveness (Diener & Suh, 1997).

WORKPLACE WELL-BEING:

Ryff (1989) in his early work identifies that workplace Well-being relates all aspects of work life including safety, health, career growth, engagement etc. Having well-being as a part of culture is the key factor for sustainable growth of the organization. One of the forecasted trends is candidates tend to move to organizations where they are valued and taken care of. Across a team or organization if Well-being is under focus it will lead to:

- Increased errors and mistakes with deteriorating quality of products or service
- Conflicts and compliance issues
- Low morale and High attrition
- Poor customer service
- Resignation and increased termination

Taking care of all types of well-beings can leave organization with exceptional ROI. This can be achieved indirectly by taking care of health, welfare and safety of employees, who are working and investing their time for the development of organization. Not only the above stated factors, but also others like recognition, rewards, appreciation etc should also be taken care for successful implementation of well-being policies within the organization.

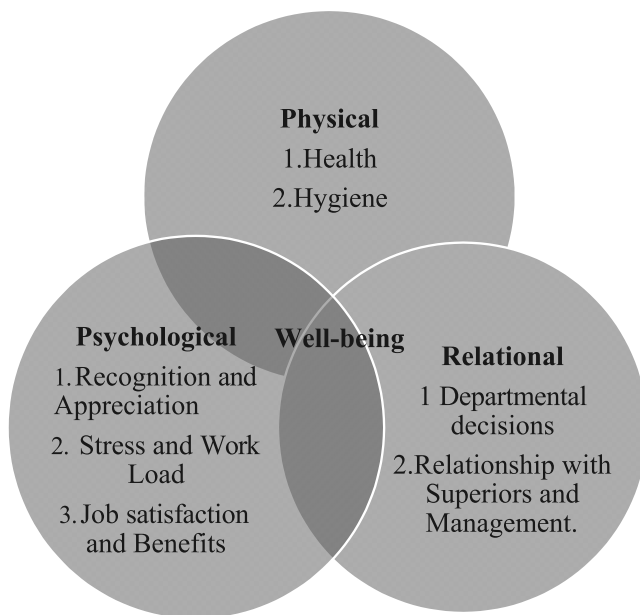


Fig.1 - Well-being model (Berger & Berger, 2012)

Work-place well-being can be classified (Berger & Berger, 2012) as:

1. Wellness
2. Psychological Well-being
3. Physical Well-being
4. Relational
5. Employee or staff well-being

Encouraging a supportive work environment, healthy lifestyle, nutritional, motivational rewards for staff, and learning and development opportunities. Targeting these issues and adopting these well-being policies requires involvement and responsibility of all kinds of staff within the organization. For this to happen leaders should have clear purpose and vision, they should always ensure that conflicts are solved, and grievances are addressed as early as possible, encourage teamwork through relevant training, exercises, rewards or recognition. To run this process smoothly management structure should be flat and simple, this is better for better relationships, communications. (Chapman, 2012). Not-only implementation but also measuring the extent of implementation of policies is also important. This can be measured by formulating metrics based on activeness with productivity, learning status within the organization.

Recent works related to well-being has drawn different views of well-being. It was defined as one's ability to fulfil life goals (Pollard & Lee, 2003) and having a satisfied life through out. The concept of achieving the life's goals shows the works of Emerson and Felce and Perry (1985), they trusted that well-being is individual's perception towards life and their aspirations. Various Governments and organizations are treating well-being as one such factor which can lead country and organizations towards growth (Danna & Griffin, 1999). Developed countries like USA, Japan, UK etc. are focusing highly on well-being practices within the organizations under their premises.

Well-Being Programs improve the productivity of the organization. Poor employee productivity can be stated as physically present at work, but not working. This type of productivity by employees is called presenteeism (Dr. Steve Aldana, Wellsteps, 2020). This leads to increase in costs related to training and indirect health care programs. This might not be the sole reason for their low productivity, no knowledge of how to use work equipment, distractions related to work environment, not knowing the purpose of their job can also be a reason. Well-being programs can help the organizations in decreasing its absenteeism rate.

Any program covering absenteeism issues will help in cost saving for the organization. Well-being programs can help employees improve their health and make them come to work regularly. But there is another excuse why well-being programs will have such an outsized impact on absence. Employees who have high morale are significantly less likely to be absent from work. Having Well-being

policies and conducting related activities in the organization can improve employee recruitment and retention. It acts as employer branding tool to attract talented skill sets.

OBJECTIVE OF THE RESEARCH

The main objective of this paper is to determine the perception of employee on wellbeing policies in the organization.

- To determine how the factors like work stress, Work culture, Salary package, Benefits etc influence the employee perception on Policies of organization.
- To determine the Employee perception towards organizational well-being policies in consideration of demographic factors like Gender, Age, Tenure in the organization and various other factors like facilities, disability etc.

METHODOLOGY

Research methodology consists of exploratory study to identify the general factors that affect the perception of employees towards well-being policies and then descriptive study is conducted using SPSS Software to determine the factors that have major effect on perception of employees. Data is collected from employees working in Hyderabad under brands of a Hotel, using Questionnaire Survey. This data is collected based on random and cluster sampling methods, Employees are divided into clusters or groups based on the branch they are working and then from clusters employees are chosen randomly to fill the questionnaire. Then data is given to the SPSS software. Since all the questionnaire related to factors are categorical, chi-square test is performed on them. Results are compared with Tabled Chi-square values to determine the dependency among factors.

ANALYSIS

SPSS is the software package used for analysis of the data collected, this is mainly used for interactive or batched Statistical Analysis. Large data can be handled using this software. I have used SPSS Software. With this software we can perform multiple tests to determine Mean, Correlation, Dependency etc. Since all the questionnaire related to factors are categorical, chi- square test is performed on the data.

I. Gender Vs Factors influencing perception of employees towards well-being policies.

Hypothesis 1: There is a significant relationship between gender and perception of employees towards the factors like Workload distribution, Recognition and Appraisal system, career growth path and including opinions of subordinates in operational decisions, help from the management and various facilities.

Table-1: Gender Vs Factors affecting Perception

Gender Vs Factors	dof	X ² Cal	X ² tab	Dependency
Workload distribution across department	4	3.662	9.488	Independent
Recognition and appraisal system	4	2.864	9.488	Independent
Satisfaction of support from management	2	3.634	5.991	Independent
Facilities and Hygiene	4	6.289	9.488	Independent
Career Path	2	3.058	5.991	Independent
Facilitation of equipment	2	5.746	5.991	Independent

Perception towards facilitation of work equipment, Workload distribution, Appreciation and recognition policies, Career development path and plans, Health and Hygiene facilities are independent of gender, so despite of their gender everyone feels that maintenance and facilitation of all requisites is essential and mandatory.

II. Tenure in the Organization Vs Factors influencing perception of employees towards organizational policies.

Hypothesis 2: There is significant Relationship between Tenure with the organization and perception of employees towards the factors like Expectation from management on employee, Recognition and Appraisal system, organization culture and including opinions of subordinates in operational decisions, help from the management, fun at work and various facilities including benefits.

Table-2: Tenure in the Organization Vs Factors

Tenure Vs Factors	dof	X ² Cal	X ² tab	Dependency
Expectation from the management	4	1.91	9.488	Independent
Recognition and appraisal system	8	10.199	15.507	Independent
Consider suggestions	8	6.832	15.507	Independent
Willingness to reapply for the same job	8	12.606	15.507	Independent
Organizational culture	8	12.243	15.507	Independent
Work Pressure and stress	2	4.292	5.991	Independent
Fun at work	2	2.334	5.991	Independent
Good salary and benefits	4	17.845	9.488	Dependent
Career Path	6	14.98	12.592	Dependent

Factors like Benefits and salary with included good career growth programs are found to be factors effected by the tenure of people with the organization. Employees perception depends on their experience related to work and career growth benefits they are getting in the organization.

III. AGE Vs Factors influencing employee perception on well-being policies

Hypothesis 3: There is significant relationship between Age of the employee and perception of employees towards the factors like Expectation from management,

workload distribution, help from the management, Facilitating of equipment and various facilities and benefits.

Table-3: Age Vs Factors effecting Perception

Age of the Employee Vs Factors	dof	X ² Cal	X ² tab	Dependency
Expectation from the management	6	5.706	12.592	Independent
Workload distribution across department	12	25.486	21.026	Dependent
Recognition and appraisal system	12	28.14	21.026	Dependent
Consider suggestions	12	17.996	21.026	Independent
Willingness to reapply for the same job	12	14.374	21.026	Independent
Facilities and Hygiene	12	14.02	21.026	Independent
Organizational culture	12	17.516	21.026	Independent
Work Pressure and stress	12	13.41	21.026	Independent
Fun at work	3	5.221	7.815	Independent
Good salary and benefits	12	30.467	21.026	Dependent
Happiness with Job	12	18.54	21.026	Independent

Perception on policies like workload distribution, Recognition and appraisal system, Good salary and benefit policies are influenced or depended on age whereas rest of the factors are independent. It means that age should also be considered while dealing with above three factors. It doesn't mean others are not influenced by age.

IV. Department Vs Factors influencing employee perception on well-being policies

Hypothesis 4: There is significant relationship between department of the employee and perception of employees towards the factors like Expectation from management, workload distribution, help from the management, Facilitating of equipment and various facilities and benefits.

Table-4: Department Relations Vs Factors effecting Perception

Department Vs Factors	dof	X ² Cal	X ² tab	Dependency
Expectation from the management	12	18.558	21.026	Independent
Workload distribution across department	12	26.175	21.026	Dependent
Recognition and appraisal system	12	26.01	21.026	Dependent
Consider suggestions	24	37.413	36.415	Dependent
Satisfaction of support from management	24	39.658	36.415	Dependent
Willingness to reapply for the same job	24	26.321	36.415	Independent
Facilities and Hygiene	24	32.954	36.415	Independent
Organizational culture	24	24.141	36.415	Independent
Work Pressure and stress	24	40.692	36.415	Dependent
Fun at work	6	12.794	12.598	Dependent
Good salary and benefits	24	20.209	36.415	Independent
Happiness with Job	24	25.524	36.415	Independent

Perception on policies like workload distribution, Recognition and appraisal system, Consideration of suggestions by superiors, Work pressure and stress, Fun at work and Perception on career path of organization are influenced or depended on department, whereas rest of the factors are independent. So department should also be considered while dealing with above factors. Strategies should be made differently for each department to satisfy employees. It doesn't mean others are not influenced by age. Others are also influenced by age but only to some extent compared to above. Departmental decisions also influence the Perception of employees in a negative way so every decision should be made under proper care.

V. Disability Vs Factors influencing employee perception on well-being policies

Hypothesis 5: There is significant relationship between disability of the employee and perception of employees towards the factors like Expectation from management, workload distribution, help from the management, Facilitating of equipment and various facilities and benefits.

Table-5: Disability of the Employee Vs Factors effecting the Perception

Disability Vs Factors	dof	X ² Cal	X ² tab	Dependency
Expectation from the management	2	3.391	5.991	Independent
Workload distribution across department	4	7.396	9.488	Independent
Recognition and appraisal system	4	7.336	9.488	Independent
Consider suggestions	4	6.545	9.488	Independent
Satisfaction of support from management	4	15.547	9.488	Dependent
Willingness to reapply for the same job	4	3.217	9.488	Independent
Facilities and Hygiene	4	6.756	9.488	Independent
Organizational culture	4	2.96	9.488	Independent
Work Pressure and stress	4	1.053	9.488	Independent

Perception on policies like Satisfaction of support extended from the management is influenced or depended on disability of employees, whereas rest of the factors are independent. In this hotel 15% of employees with disability which is a considerable fraction of total employees. So, superiors of each department wherever employee with disability is employed, should take proper and extra care of them compared to the normal ones.

DISCUSSION

After performing tests on the data collected it was found that factors like recognition and appraisals, organization culture, superiors support, involvement of employees in departmental decisions, good salaries and benefits, career development plan and workload distribution among employees are found to be the major factors that affect the perception of employees towards well- being policies of Hotel. All the

factors stated above have shown the independency towards age. So, irrespective of generation every employee is expecting career growth, good benefits and good work environment from the organization (Jindal and Shaikh, 2017). Data collection was a challenging task in this hotel because most of the employees have hearing and speech impairment. Few of them are not very educated. This study is limited only to brands of one Hotel in Hyderabad, it can be elaborated to Brands of that Hotel across India. The set of factors chosen in this study are based on the research in past. If the concept is viewed in broader view, there might be many other factors that affect the perception of employees towards the policies of organization.

REFERENCES

- Macky, K., & Boxall, P. (2008). High-involvement work processes, work intensification and employee well-being: A study of New Zealand worker experiences. *Asia Pacific Journal of Human Resources*, 46(1), 38-55.
- Aldana, S.G., 2001. Financial impact of health promotion programs: a comprehensive review of the literature. *American Journal of Health Promotion*, 15(5), pp.296-320.
- Bakker, A. B., & Oerlemans, W. (2011). Subjective well-being in organizations. *The Oxford handbook of positive organizational scholarship*, 49, 178-189.
- Bean, S., 2004. Nurses' obligations must be taken seriously. *Occupational Health & Wellbeing*, 56(9), p.9.
- Jindal, M. P., & Shaikh, M. (2016). Talent management through employee engagement in hospitality companies. *Int. J. of Multidisciplinary and Current research*, 4.
- Jindal, P., & Shaikh, M. (2017). Developing and managing young talent: framework of talent management strategies for Gen Y. *International Journal of Environment, Workplace and Employment*, 4(3), 171-185.
- Langove, N., Isha, A.S.N.B. and Javaid, M.U., 2016. The mediating effect of employee well-being in relation to role stressors and turnover intention: A conceptual study. *International Review of Management and Marketing*, 6(4S), pp.150-154.
- Mayangdarastr, S. and Khusna, K., RETAINING MILLENNIALS ENGAGEMENT AND WELLBEING THROUGH CAREER PATH AND DEVELOPMENT. *Journal of Leadership in Organizations*, 2(1).
- McCarthy, G., Almeida, S. and Ahrens, J., 2011. Understanding employee well-being practices in Australian organizations.
- Rao, G.K. and Shaikh, M., 2017. Impact of Employee Engagement on Retention of Employees: A Study of Some Selected Information Technology & Information Technology Enabled Services (IT & ITeS) Companies in Pune City. *Indira Management Review*, 11(2), pp.9-16.
- Thompson, S., Aked, J., Marks, N. and Cordon, C., 2008. Five ways to wellbeing: The evidence. *New Economics Foundation*, London.
- <https://www2.deloitte.com/insights/us/en/focus/human-capital-trends/2018/employee-well-being-programs.html>
- <https://www.tandfonline.com/doi/full/10.1080/09585192.2017.1345205>

NPAS – BANE ON INDIAN ECONOMY: A STUDY ON ITS ORIGIN, CAUSES & RECENT MEASURES TO ADDRESS THE MENACE

Shreya Makam*

ABSTRACT

India has been ranked fifth on the list of countries with highest Non-Performing Assets (NPAs) with gross NPA ratio (non-performing loans out of total loans advanced by banks) at around 10%, preceded by Greece (36.4%), Italy (16.4%), Portugal (15.5%) & Ireland (11.9%). The increased NPAs put pressure on recycling of funds & reduce the ability of banks for lending more, thus affecting the economy as a whole. NPAs can be wilful and non-wilful. Wilful advances are really bad, as these people have capacity to pay but default. However non-wilful NPA accounts are genuine since borrowers default due to reasons beyond their control like natural calamities and business failure. These accounts can be nursed back to good health through additional financing.

The country is reeling under a huge NPA burden of over Rs 10 lakh crore as of September 2018. To address the crisis, the government has announced the recapitalisation of these public sector banks by infusing around Rs 2.11 lakh crore, besides pumping in Rs 1.35 lakh crore through recapitalisation bonds. Experts believe the capital infusion in banks needs to be backed by a string of reforms so that they engage in responsive banking in the future. This paper has dealt in depth the origins, causes & recent measures in addressing the menace of NPAs, which has become detrimental to the country's economy.

Key words: assets, bad loans, economy, Narasimham Committee.

1. INTRODUCTION

Bank Loans in which repayment is not forthcoming are bad loans or loans overdue or Non-Performing Assets (NPA). NPA concept was introduced by Narasimham Committee, which was constituted in 1990s. The mandate of the Committee was to study all aspects relating to the structure, organisation, functions and procedures of the financial systems and to recommend improvements in their efficiency and productivity. NPAs had been the major source of irritation of the entire banking sector in India. As per the findings of Narasimham Committee, the reduced profitability with the Indian commercial banks is mainly attributed to lending for priority sectors like agriculture and allied activities; micro, small & medium enterprises (MSMEs); housing for poorer sections; education loans for students from low income groups

* The author specialises in commerce and presently working at Deloitte AERS Hyderabad.
Email-id : makam64@gmail.com

& weaker sections etc, meant for an all equitable growth of the society at large, as opposed to focusing only on the financial sector.

Subsequently, the Committee also highlighted the need for ‘zero’ non-performing assets for all Indian banks with international presence. The 1998 report further blamed poor credit decisions, behest-lending and cyclical economic factors among other reasons for the build-up of the non-performing assets of these banks to uncomfortably high levels. The Committee recommended creation of Asset Reconstruction Funds or Asset Reconstruction Companies (ARCs) to take over the bad debts of banks, allowing them to start on a clean-slate. The option of recapitalisation through budgetary provisions was ruled out. Overall the committee wanted an independent loan review mechanism for improved management of loan portfolios. The committee’s recommendations led to introduction of a new legislation which was subsequently implemented as the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and came into force with effect from 21 June 2002.

During the global financial crisis of 2007–2008, performance of the Indian banking sector was far better than its international counterparts. This was also credited to the successful implementation of the recommendations of the Narasimham Committee with particular reference to the capital adequacy norms and the recapitalisation of the public sector banks. Where did it go wrong then for the today’s precarious situation of mounting NPAs with our banking institutions?. The rest of the paper is devoted to the origin, their causes & the recent measures for getting rid of the serious malaise in the form of NPAs in order to strengthen the banking system.

2. MOUNTING BURDEN OF NPAS

As of March 31, 2018, gross NPAs in the economy stood at Rs 10.35 lakh crore. About 85% of these NPAs are from loans and advances of public sector banks. For instance, NPAs in the State Bank of India are worth Rs 2.23 lakh crore. The alarming situation of rise in NPAs is depicted at Fig 1. Escalating NPAs require banks to make higher provisions for losses in their books, and this, along with several structural issues, leads to low profitability. Profitability of a bank is measured by its Return on Assets (RoA), which is the ratio of the bank’s net profits to its net assets. Banks have witnessed a decline in their profitability in the last few years as shown at Figure 2, making them vulnerable to adverse economic shocks and consequently putting consumer deposits at risk.

2.1 Causes for rise in NPAs

Some of the factors leading to the increased occurrence of NPAs are external, such as decreases in global commodity prices leading to slower exports. Some are more intrinsic to the Indian banking sector. A lot of the loans currently classified

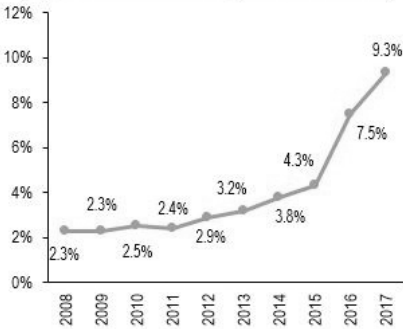


Figure - 1: Gross NPAs (% of total loans)

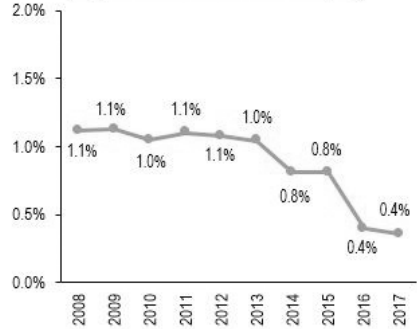


Figure - 2: Return on Assets (%)

Source: Reserve Bank of India; PRS.

as NPAs originated in the mid-2000s, at a time when the economy was booming and business outlook was very positive. Large corporations were granted loans for projects based on extrapolation of their recent growth and performance. With loans being available more easily than before, corporations grew highly leveraged, implying that most financing was through external borrowings rather than internal promoter equity. But as economic growth stagnated following the global financial crisis of 2008, the repayment capability of these corporations decreased. This contributed to what is now known as India's Twin Balance Sheet problem, where both the banking sector (that gives loans) and the corporate sector (that takes & has to repay these loans) have come under financial stress. When the project for which the loan was taken started underperforming, borrowers lost their capability of paying back the bank. The banks at this time took to the practice of 'evergreening', where fresh loans were given to some promoters to enable them to pay off their interest. This effectively pushed the recognition of these loans as non-performing to a later date, but did not address the root causes of their unprofitability.

Public Sector Banks (PSBs) reported frauds of over ₹95,760 crore from April to September in 2019. The incidence and cost of frauds is increasing year after year, posing threats to the financial stability and eroding the credibility of PSBs, auditors, credit rating agencies and the regulator RBI, as well as the trust of savers and depositors. Studies have shown that fraudsters, big and small, are able to take undue advantage of a number of well-documented weaknesses in the system. The central bank has an early warning signals system but PSBs could not take advantage of it. Most of the frauds are related to loans and occur due to poor operational risk management and ineffective internal audits at state-owned PSBs due to lack of proper risk analysis or due diligence.

A 2016 study by the Indian Institute of Management, Bangalore, found a correlation between rising frauds and NPAs, which indicates lack of requisite

standards of corporate governance, leading to more instances of loan defaults involving over ₹1 crore. The study found that big loan advance frauds happen as bank officials collude with borrowers and sometimes even with officials of third parties such as advocates and chartered accountants followed by poor monitoring due to lack of expertise and modern tech resources. Officers retire before they can be booked for fraud. Weak selection process and lower pay than at private banks are among key reasons. There is little deterrence for fraudsters as conviction rates are low due to the lack of specialized financial sleuths. PSBs should set up an internal rating agency for stringent evaluation of big-ticket projects before sanctioning loans. Banks must evaluate projects on the basis of the business model and not get influenced by the brand name or creditworthiness of the parent firm. Strict punitive steps for bank staff and others who collude with fraudsters can help.

2.2 Measures to address the problem of growing NPAs

The measures taken to resolve and prevent NPAs can broadly be classified as under :

- (a) Regulatory means of resolving NPAs per various laws (like the Insolvency and Bankruptcy Code);
- (b) Remedial measures for banks prescribed and regulated by the RBI for internal restructuring of stressed assets.

The Insolvency and Bankruptcy Code (IBC) was enacted in May 2016 to provide a time-bound 180-day recovery process for insolvent accounts (where the borrowers are unable to pay their dues). Under the IBC, the creditors of these insolvent accounts, presided over by an insolvency professional, decide whether to restructure the loan, or to sell the defaulter's assets to recover the outstanding amount. If a timely decision is not arrived at, the defaulter's assets are liquidated. Proceedings under the IBC are adjudicated by the Debt Recovery Tribunal (DRT) for personal insolvencies, and the National Company Law Tribunal (NCLT) for corporate insolvencies.

As regards to remedial measures taken over the years, RBI has issued various guidelines aimed at the resolution of stressed assets of banks. These included introduction of certain schemes such as: (i) Strategic Debt Restructuring (which allowed banks to change the management of the defaulting company), and (ii) Joint Lenders' Forum (where lenders evolved a resolution plan and voted on its implementation). In line with the enactment of the IBC, the RBI, through a circular in February 2018, substituted all the specific pre-existing guidelines with a simplified, generic, time-bound framework for the resolution of stressed assets. In the revised framework which replaced the earlier schemes, RBI put in place a strict deadline of 180 days during which a resolution plan must be implemented, failing which stressed assets must be referred to the NCLT under IBC within 15 days. The framework also introduced a provision for monitoring of one-day defaults, where incipient stress is identified and flagged immediately when repayments are overdue by a day.

2.3 Asset Reconstruction Companies (ARC)

An Asset Reconstruction Company (ARC) is a specialized financial institution that buys NPAs or bad assets from banks and financial institutions and cleans up their balance sheets. In other words, ARCs are in the business of buying bad loans from banks, which helps banks to concentrate on normal banking activities. Setting up an ARC is the best bet as it will also reduce the government's bank recapitalisation burden.

ARCs are playing an important role in cleaning up the bad debt in the financial system. After the introduction of the bankruptcy code in 2016, ARCs have bought non-performing assets worth Rs 40,000 crore from banks. Currently, there are 30 ARCs registered with RBI which have acquired assets worth Rs 24,000 crore from banks during the last financial year FY 2019-20. To bring in more transparency into bad-loan exchanges and ring-fence these deals from likely allegations of conflict of interests, RBI has barred ARCs from acquiring financial assets on a bilateral basis. Private banks normally sell down bad loans in private transactions, while public sector banks sell bad loans through auctions. With the new rules in place, lenders cannot sell to ARCs without going through a bidding process.

Many companies see a business opportunity in buying NPLs. Buying NPLs from financial institutions with a discount, can be a lucrative business. Companies pay from 1% to 80% of the total loan and become the legal owner (creditor). The discount depends on the age of the loan, secured/ unsecured, age debtor, personal/ commercial debt, area of residence, etc. On the flip side, the asset reconstruction model to help banks in recovering bad loans appears to be floundering. Against the banks putting non-performing loans worth Rs 1.3 lakh crore on the block, sales have been very few at about 10%. Even the recovery rate is also very meagre i.e., when banks sold NPAs worth Rs 4,000 crore, they have recovered Rs 1,774 crore from ARCs which is tantamount to around 40%.

However, Banks should not take ARCs as the panacea for all their ills. Along with liquidating the NPAs, Banks should adopt several proactive measures in improving their performance such as :

- Corporate Governance
- Better credit information to cut down on fresh NPAs
- Prudential Supervision
- Efficient & capable management
- Well developed capital markets that can offer the mechanism and liquidity required to write off bad loans
- Securitization - Securitisation refers to the conversion of loans such as auto, house, credit cards etc. of banks and lenders into debt instruments such as Bonds, debentures, leases, certificates, bills of exchange and

promissory notes. By making these debt instruments available in the markets, the organisation manages to transform illiquid assets to liquid assets, which can be used to fund other businesses. When the original lender recovers money from the original borrower, it is then passed on to the SPV, which then disburses it to the investor in the form of a fixed income.

2.4 Tools available for reducing NPAs

It is high time financial institutions must take some serious steps to control the unstoppable rise in the number of NPAs. Unless strict ways to reduce NPA are introduced, they will keep piling up and will be an alarming economic concern.

2.4.1 SARFAESI Act – 2002

Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act 2002 came into force with effect from 21 June 2002. SARFAESI Act empowers banks to deal with NPAs, without the involvement of court, through three alternatives:

- Asset Reconstruction
- Enforcement of Security
- Securitisation

Any outstanding amount of more than ₹1 lakh can be dealt under SARFAESI Act. However, an amount that is less than 20% of principal & interest amount is not considered under the Act. The Act also allows banks to:

- To release a notice to borrower (and their guarantor) asking them to release the payment within 60 days from the receipt of notice.
- To release notice to anyone who acquires the borrower's secured assets to produce the same to the bank.
- To advice any of the borrower's debtors to pay off the loan due with the bank.

In case of failure from the borrower's end with respect to the issue notice, the bank may:

- Take possession of the secured assets of the borrower
- Sell or lease the security
- Manage the borrower's security or appoint someone to manage the same.

2.4.2 Debt Recovery Tribunals (DRTs)

Brought into being existence in year 1993 by the Indian Parliament, the Act allows financial institutions to speedily recover dues of Rs. 10 lakhs & above. DRTs are

capable of handling larger number of cases as compared to regular courts by cutting down delays in the initial proceedings.

2.4.3 Lok Adalats

Small loans of Rs. 5 lakhs & less can be recovered through the Lok Adalats, as per the guidelines issued by RBI in year 2001. This alternative for dispute redressal mechanism covers both suit and non-suit filed cases.

2.4.4 Compromise Settlement

This scheme helps in recovery of NPAs upto Rs. 10 crores through a simplified non-discretionary mechanism.

2.4.5 Credit Information Bureau

Third party agencies such as Credit Information Bureau (India) Ltd (CIBIL) helps banks with data on the financial health of the borrower. The Credit Information Bureau maintains records of individual defaulters and shares it with the respective banks to aid them in making effective lending decisions. For this, banks may be charged a fee.

3. WILFUL DEFAULTERS

RBI defines wilful default as the deliberate non-payment of the loan dues, in spite of adequate cash flow and sound net worth, siphoning off of funds to the detriment of the defaulting unit, failure to acquire assets for which bank has provided the finance, sale of assets for personal benefits, disposal of securities and misrepresentation/falsification of accounting records and any other fraudulent transactions by the borrower. RBI has advised the banks to report the wilful defaulters of loan amount above Rs. 25 lakh, along with the names of the promoter directors. At the end of March 2000, 42 banks and 4 financial institutions have reported a list of 240 enterprises as wilful defaulters, with a default amount of Rs. 1095 crore and for the first time, wilful loan defaulters list was made available to public. The regulatory measures to mitigate wilful loan defaults are: banks can file legal suits, even criminal cases against wilful defaulters if any cheat or fraud is noticed, debarring the directors of wilful default companies to act as director of other borrowing firms, complaining to the statutory accounting body against the auditors of wilful default companies for falsification of financial accounts, shaming the wilful defaulters by publishing their photographs in newspapers, prohibiting the wilful default firms from raising any type of capital issue and also prohibiting any fresh registration to any entity if the entity's promoters (or its directors or key managerial personnel) are included in the list of wilful defaulters. The majority of the wilful default firms are unlisted companies, private limited, partnership and sole proprietary entities.

In India, right from 1998, various institutions – CVC, RBI, SEBI have come together to address the issue of loan defaults possibly arising from corruption and have defined guidelines for reducing the amount of bad loans and defaults. However, in spite of these measures the amount of wilful defaults has not reduced, may be due to political intervention, ineffective governance, weak legal and regulatory monitoring mechanisms and possibly corruption in the system. To arrest the NPAs further becoming wilful defaults, it is suggested that banks must strengthen the ‘bank governance model’ by imposing tighter loan covenants, strict monitoring and effective governance through bank appointed nominee directors. Banks need to exploit transaction data available through payment channels and collaborate with various investigative agencies. In the US, Securities and Exchange Commission (SEC) has set up ‘Center for Risk and Quantitative Analytics’, which employs quantitative data and analysis to profile high risk behaviours and transactions and to detect misconduct. Establishment of such an institution in India may be needed to prevent the wilful defaults. This should be supplemented with stricter punitive measures for erring bank officials colluding with wilful defaulters. Further, the enactment of Insolvency & Bankruptcy Code in 2016 is also acting as a deterrent to defaulters due to its strict provisions.

4. CONCLUSION

Increasing trends in NPAs of banks has been a matter of grave concern to policy makers, academia and public at large, as it affects safety of depositors, profitability of banks, and the overall financial stability of a country. The NPA problem of the banking sector is essentially a reflection of weaknesses of corporate sector balance sheets. Many corporates were hand-in-glove with their bankers to roll-over their sticky advances as performing assets through the process of ever-greening year-after-year. Had there been no Asset Quality Review (AQR) since 2015, weakness of balance sheets of both commercial banks and the corporate sector would have gone unnoticed for a longer period, thereby building up financial sector vulnerability. The Insolvency and Bankruptcy Code (IBC), enacted in May 2016 by the government, was a game changer to resolve the twin balance-sheet problem.

It is true that there is a need to distinguish between wilful defaulters and genuine defaulters due to adverse circumstances. Freedom given to banks earlier to restructure debts through several schemes did not yield desired result. Before the AQR, debt restructuring by banks was essentially a new form of ever-greening. Banks are not charitable organisations. Their activities for lending to genuine borrowers will be constrained by large accumulation of NPAs.

Bulk of the infrastructure loans can be securitised and sold to an asset reconstruction companies (ARCs) with appropriate haircut. If private sector ARCs are not equipped to buy large infrastructure loans, the government may consider

setting up of few more ARCs in the public sector. Presently, ASREC (India) Ltd is the only PSU ARC set up in 2004 for acquiring NPAs from banks/FIs. Pressure on the government to recapitalise banks may be reduced if a public sector ARC is prepared to take over sticky advances of banks, particularly those lent to the infrastructure sector.

REFERENCES

1. Ahita Paul, "Examining the rise of Non-Performing Assets in India", PRS Legislative Research, Sep 13, 2018.
2. Birendra Kumar Bhoi, "The way ahead for dealing with NPAs", Business Line, May 21, 2019
3. https://en.wikipedia.org/wiki/Narasimham_Committee
4. https://en.wikipedia.org/wiki/Non-performing_loan
5. <https://theprint.in/economy/arvind-subramanian-defends-urjit-patels-terrific-job-says-need-to-address-npa-issue/165659/>
6. <https://theprint.in/economy/india-has-the-second-worst-npa-ratio-among-large-economies/195844/>
7. <https://www.businesstoday.in/current/policy/npa-problem-india-ranking-bad-loans-economies-with-huge-npa-bank-recapitalisation/story/266898.html>
8. <https://www.prsindia.org/content/examining-rise-non-performing-assets-india>
9. <https://www.quora.com/What-is-the-difference-between-a-bad-loan-and-an-NPA>
10. <https://www.thehindubusinessline.com/opinion/the-way-ahead-for-dealing-with-npas/article27198338.ece>
11. Jayadev, M & Padma, N., "Wilful defaulters of Indian banks: A first cut analysis" IIMB Management Review, Oct 2019.
12. Puja Mehra, "The link between NPAs and frauds at govt-run banks", Live Mint, Dec 11, 2019. <https://www.livemint.com/industry/banking/the-link-between-npas-and-frauds-at-govt-run-banks-11576083200294.html>

INTERSECTION OF WORK AND LIFE: A CONCEPTUAL STUDY

Dr. Bidya Dash* and Bandana Sarangi**

ABSTRACT

The literature on work life balance, the superiority relationship between remunerated work and not paid responsibilities is significant for achievement in today's competitive business world. The concern for work-life balance has aroused in response to demographic, economic and cultural changes. The dynamics of the work environment have exerted massive pressure on working women as they need to cope with full time jobs as well as jobs at home. Review of literature related to the subject has revealed that working women experience greater difficulty than men in balancing work and family. It is also found from the literature review that the working women are experiencing conflict as there is job spill over into the home more frequently than home spill over into work. The rationale of this paper is to ascertain whether the work life balance practices availed by working women is contributing to their well-being in the present context. The results of a number of studies reviewed in this paper show the outcomes and the payback of implementing work-life balance practices for employee themselves and their families, organizations and society as well. The study has tried to connect spirituality with work-life balance through literature review. In this regard, the study has proposed a model consisting the variables of work-life balance (employee well-being, enhance work performance, job satisfaction, employee commitment) and spirituality (work is worship, engage in work, eternal life connectivity, acceptance, emotion, honesty) of working women with relation to new economy which will be tested in further study by using statistical tool. At the end, the article has proposed suggestions on the basis of literature review in order to establish the understanding of work-life practices with respect to new economy.

Keywords: absenteeism, retention work-life balance, and work environment,

INTRODUCTION

In this era of twenty first century organizations are characterized by relentless changes, uncertainties and disproportionate pressure to augment productivity. These result into imbalance in the lives of employees causing uncertainty and anxiety. The acute levels of competitiveness in the work globe, posing new challenges on employees are also fuelled to imbalance in work-live. However digital advancements and new inventions have impacted the socio-cultural background

* Faculty-HR, College of IT and Management Education (Constituent college of BPUT), Bhubaneswar, Email: bidyadsh1@gmail.com

**Faculty- HR, College of IT and Management Education (Constituent college of BPUT), Bhubaneswar, Email- bandana.sarangi0@gmail.com

by brining multi-cultural life styles in Indian homes. There is a need for growth in all spheres, for individuals as well as for organizations. This need of growth has resulted in imbalance in the lives of the workforce. The persistent demands on time and effort to enhance productivity have created enormous stress and pressure causing disequilibrium between work life and family life among employees. Most employees either spends long hours at their work place or carry work to home for which they have to scarify their quality of life at home.

Keeping the research gap into perspective the purpose of this study is to find-out variables influencing spiritual competence in the context of work place spirituality and work-life balance. As evident from the extant literature findings, this study is significant because there is still so much divergence and occurrence of work life balance while nurturing spirituality in the workplace especially among women. Therefore, this conceptual investigation will be a significant contribution to research on studying the variables to concepts for further test.

OBJECTIVES OF THE STUDY:

1. To elucidate the concept of work-life balance and spirituality through extensive literature review
2. To design a conceptual model on relationship between WLB and spirituality

LITERATURE REVIEW

Work life balance in the recent years has emerged as a topic of great interest for many, even though it's not a new concept. The term was first used in UK and US in the late 1970s and 1980s respectively. Work life balance does not mean balancing equally, rather it is scheduling the hours of your personal and professional life to make them healthier. WLB is all about having a sense of control, by performing satisfactorily at home and in the workplace without much role conflict. To be more precise, its about being productive and competitive at work while maintaining a healthy home life with ample amount of leisure. It is simply about managing yourself, your time, the changes, stress and technological advancements. Employees irrespective of men and women do their job for them and their family wellbeing. Between work and life the synchronization is required. It means there should be harmonization of an individual's wide-ranging pursuits that may include family, work, leisure, social obligations, health, career and spirituality. The balance between work and life is more than the balance between professional and personal life. The work-life balance is individual specific and keeps on changing time to time. According to Stewart Friedman - Professor of Management and Founding Director of Wharton School's Leadership Program and of its Work –Life Integration project - “a one size fits all; mentality in human resources management often perpetuates frustration among employees. It is not an uncommon problem in many HR areas, where, for the

sake of equality, there's a standard policy implemented in a way that is universally acceptable, even though everyone's life is different and everyone needs different things in terms of how to integrate the different pieces. It's got to be customized". Friedman's research indicates that the solution lies in approaching the components of work, family, community and self as a comprehensive system.

Work-life balance and women

Women in 21st century are not just confined to the four walls of their houses but have become a tough competitor for their male counterparts. However, it's quite challenging to be perfect women at home and to be a shining star in the office. In the current scenario women have ample employment opportunities because of the increasing industrialization and education. Unlike the past, the present generation men want a working life partner to lead a normal life. In such a situation a woman is expected to look after her family roles as a wife, a mother and a daughter-in-law and at the same time take challenges at her work front. It is possible only when she has a perfect work life balance. A woman with successful work life balance achieves job satisfaction. Her commitment level goes high; she becomes more productive and succeeds in her career.

Spirituality

In today's meteoric world everybody aims to catch up with the pace of life. So, to have a perfectly balanced personal and professional life, is not only demanding but also challenging. To lead a healthy life it becomes highly essential to minimize this role conflict. It is no more a myth that work and life are separate entities as said by Kanter (1977). When one of these aspects overpowers the other it creates friction resulting in discontentment. The path of spirituality helps to overcome the myriad issues relating to self (motivation, contentment, commitment). Koenig (2000) defined spirituality as, "the personal quest for understanding answers to ultimate questions about life, about meaning, and about relationship to the sacred or transcendent, which may or (may not) lead to or arise from the development of religious rituals and the formation of community." Spirituality is a quest for meaningful connection with something bigger than yourself resulting in positive emotions such as, peace contentment, gratitude, and acceptance. There is an exponential increase in the popularity of the concept of spirituality. At work, spirituality is about exploring the real self, higher purpose, connectedness and transcendence. It is being found from the researches that spirituality is a major determinant of employee commitment, job satisfaction, and work life balance.

Construct of Work-life balance and Spirituality

Karakas (2010) in his study found three different perceptions on how spirituality benefits employees and support performance at workplace, 1. Spirituality enhances well-being and quality of life of employee, 2. Spirituality provides a sense of

purpose and meaning at work, 3. Spirituality provides a sense of community and interconnectedness. At present organization seeks greater level of productivity, commitment and efficiency from their employees and at the same time they are expected to take care of themselves as a whole person as found by (Bell & Taylor, 2001). Dehler & Welsh, (2003) suggested that workplace spirituality deals with employees as whole in terms of their physical, mental, emotional and spiritual needs. It tends to focus on totality of a person. Similarly, it is observed from the study (Krahnke, Giacalone & Jurkiewicz, 2003) that, workplace spiritual values reduce stress, conflict and absenteeism and also enhance work performance, employee well-being and quality of life as also found by (Karakas, 2010).

The hunger for money, power and recognition has given birth to several social, economic and environmental problems. Escape to the world of spiritualism seems to be one of the ways to get rid of the problems of this modern world. To remain stress-free and to have a better control over the mind, people now a days are inclined towards adopting a healthy lifestyle, amongst which spirituality is one. It is seen that people have started following spiritual guru. Yoga and meditation are trending these days. Garcia- Zamor, (2003), found that at workplace spirituality provides employees a sense of connectedness and community which increases the level of commitment belongingness and effectiveness among employees. However, Petchsawange & Duchan, (2012) said that spirituality at workplace addresses human activities relating to compassion, personal development, meaningfulness and joy at work, trust, commitment, honesty and well-being of employees which is further supplemented by the findings of (King, 2007) that is spirituality is persuasive in the moral reasoning, ethical attitudes and behaviour management of many managers.

With the introduction of human relations movement workplace has become the source of community for many people. However, it is found from the study (Conger 1994) that the associated problems like stress, burnout and work holism together increasing importance and centrality of work in people's life. Fairholm, 1996; Cavanagh, (1999) found that separating work, life, family, and spirit into compartments has potentially ripped authenticity off employees; leaving them feeling unfulfilled, stressed and alienated. However, in an organizational purview, personal and professional life balance is basically a shared assumptions, beliefs, and values regarding the extent to which an organization supports towards integrating employees' work and family lives (Thompson, Beauvais and Lyness, 1999). It has been argued that "insights of work-family balance are more inclined by psychological factors such as job satisfaction which may be more relevant to employees in professional jobs" (Clarke et al. 2004). Precisely, "work-life balance refers to the ability of individuals regardless of age or gender, to explore a rhythm which will allow them to combine their work with their non-work responsibilities, activities and aspirations" (Felstead et al., 2002).

In today's organization, "professionals consider having meaningful work, good working conditions or work itself, earning, and supportive peers as the most influential factor for their stability and professional growth" (Mitroff and Denton 1999). Hungelmann (1985) has stated that "the assimilation of work life balance and work place spirituality predominantly supports the proposition of transpersonal (relationship with God), interpersonal (relationship with friends and family etc.), and intrapersonal" (relationship with one's inner self). In this context, "work life balance precisely engulfs the degree to which an individual is able to simultaneously balance the temporal, emotional, spiritual and behavioral demands of both paid work and family responsibilities" (Hill and colleagues, 2001).

"In organizational perspective with the similarity to work-life balance and work place spirituality, it is emphasized that the employer should provide an environment and opportunity to let the individual's express different aspects of ones' being at work" (Ashmos and Duchon 2000). The role of HR functionaries is to explore the ways with which an individual is likely to find meaning from any work that he/she does which is also an observation Thompson (2001). He further found that, "present days knowledge workers put the compensation and benefits second to working in a spirited workplace-a place where they are treated with respect, not only for what they know and can do, but also as human beings as they want to be listened to and grow, to be proud of a management team that operates with integrity, and to balance their work life with their personal life". "The availability of such practices augments positive job-related attitudes, work effort and contextual behaviors by enhancing social exchange processes; as symbols of organizational concern for employees, work-life practices promoting employee interest in and obligation to the organization" (Pfeffer, 1981).

To aid up these findings it has been asserted that "today's organizations must begin to care for the whole employee in order to increase commitment levels, production rates and efficiencies" (Bell and Taylor, 2001). Therefore, it can be summed up that, cultivation organizational spirituality is essential for an establishment, as it is a primary mechanism towards aligning, educating and motivating employees towards enhancing the commitment among them. The empirical research finding advocates that "intrusion of work demands into personal life (e.g. working during the week-end) was related with reports of heightened stress and emotional exhaustion for employees affecting the health of a professional individual" (Hyman et al., 2003).

In a time of mounting "emphasis on business ethics and work life balance; corporations are compelled to respond to the employee need for creating meaning at work" (Cavanagh, 1999; Cacioppe, 2000; Pratt and Ashforth, 2003; Gull and Doh, 2004). This ascends an arguable issue on how could one determine the extent to which organizations are seeking strength rather than just exposure and their

commitment towards spirituality, which in return beneficial to both employees and itself.

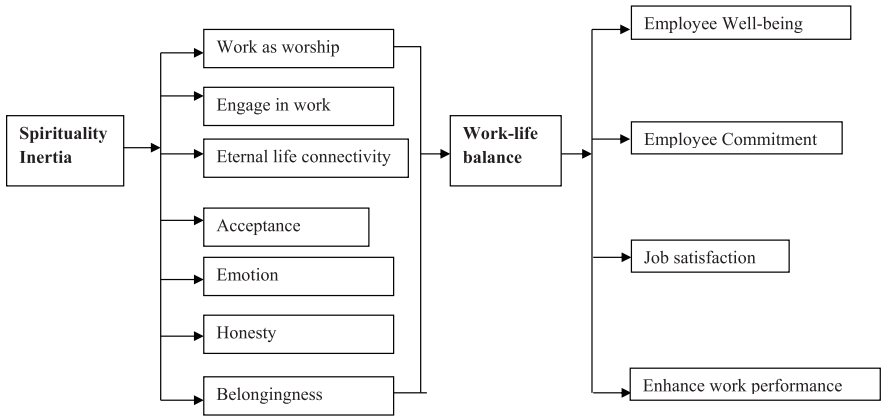
It is argued that “even without a genuine commitment to achieve the practice for accomplishing spiritual competence, the usage of fostering work life balance raises genuine concerns about its use to further economic goals of organizations’, and therefore, has the potential of becoming yet another management fad” (Fernando, 2005). Milliman.J, (1999); PfefferJ, (2003); Marques J, et.al, (2005) have tried to explore the workplace spirituality, sources of workplace spirituality or features of an organization facilitating workplace spirituality. Nurturing spiritual competence is now a days’ focus of attention amongst corporate practitioners and academic researchers as well.

Urbanowski ,(2012) noted that in” the manufacturing sector unemployment is high in the western world and there is the emergence and acceptance of service work. Therefore, quality of work life, workplace spirituality and expectations towards work needs to be taken seriously”. Coetzee, Bergh and Schreuder, (2010) stipulates that “organizations that offer employees personal growth and development opportunities by way of career-development support practices will possibly gain more benefits by ensuring that employees truly recognize how to proactively manage their own career”. “Ironically, the fear of losing valuable employees repeatedly comes to the fore as one of the key reasons why career-development support processes are not made accessible to employees” (Baruch, 2006). Duchon and Plowman, (2005) proposes that “workplace spirituality or spirituality in the workplace is about the recognition that meaningful work and sense of community are essential for the spiritual growth of employees”. Spirituality in the workplace is about individuals and organizations seeing work as a spiritual path, as a chance to grow and to add to society in a meaningful way. “The spirituality view is that work is not just meant to be interesting or challenging, but that it is about things such as searching for deeper meaning and purpose, living one’s dream, expressing one’s inner life needs by seeking meaningful work, and contributing to others” (Ashmos & Duchon, 2000:135). “Economic activities reflect the will, experiences and emotions of people and thus reveal human nature and moral content. With the formation of a knowledge-based economy and the acceleration of material satisfactions due to technological advancements at the end of the 20th century, many people began to exhibit spiritual emptiness, moral abnormalities, twisted social values, greed and all kinds of crimes because of the imbalance between their material and spiritual lives” (Chen & Sheng, 2013).

Expectations towards work (Shaw, 2013) states that “employees today can expect more periods of spasmodic work disturbance and disinterestedness as part of their employment trajectory due to the irregularity of and unhinged global economies”. Shaw (2013) has identified “five predominant themes to expectations

towards work in the new generation which are work/life balance, good pay and benefits, opportunities for advancement, meaningful work experiences, nurturing work environment”.

CONCEPTUAL FRAMEWORK FROM LITERATURE REVIEW



FINDINGS

In family life, as the working woman's behaviour is connection based, she should play a significant role in maintaining personal relationships and engage in her social surroundings. Her behaviour in the work place should be position based and therefore, specialized and official. Keeping the same in view, the current study found a connection between spirituality and work-life balance from the evident of literature review. The configuration of a knowledge-based economy and the stepping up of material satisfactions due to technological advancements women began to exhibit spiritual bareness that create the imbalance between their work life and spiritual lives. The above model drawn from the literature review depicts an inter relation between WLB and spirituality.

CONCLUSION

The analyses of work life balance presented in this study is an attempt to understand factors affecting work life balance of working women and its relation with spirituality. In the Indian context, women give first and foremost importance to their family and career is rarely given apex priority. This study has revealed that the burden of excessive work leads to role conflict. As a result women undergo job burn-out, experience high levels of stress and anxiety. They are also unable to realize their full potential and do not enjoy pleasant family life. The above findings

indicate that working women who concentrate more on factors leading to distress in work life result in poor work life balance. It also provides insights into finding solutions to retain a healthy work life balance by maintaining spirituality.

REFERENCE

1. Ashmos, D.P., & Duchon, D. (2000). Spirituality at work: Conceptualization and measure, *Journal of Management Enquiry*, 9(2), 134-161
2. Baruch, Y. (2006). Career development in organizations and beyond: Balancing traditional and contemporary viewpoints. *Human Resource Management Review*, 16, 125-138.
3. Bell, E., and Taylor, S. (2001). *A Rumor of Angels: Researching Spirituality and Work Organizations*. Academy of Management Proceedings.
4. Chen, M., & Sheng, C. (2013). Workplace Spirituality and Earnings Management Motivations, *International Journal of Business and Information*, 8(2), 267-298
5. Conger, J.(1994), *Spirit at work: Discovering the spirituality in leadership*. Jossey-Bass, San Francisco.
6. Cavanagh, G. (1999), *Spirituality for managers: context and critique*. *Journal of Organizational Change Management*. 12(3), 186.
7. Cavanagh, G., Hanson, B., Hanson, K., and Hinojoso, J.: (2001), *Toward Spirituality for the Contemporary Organization: Implications for Work, Family and Society*, in Champoux, J.E. (2000). *Organizational behavior: Essential tenets for a new millennium*. South-Western College Publishing, Cincinnati.
8. Clarke, M.C., Koch, L.C., and Hill, E.J. (2004), 'The Work-Family Interface: Differentiating Balance and Fit', *Family and Consumer Sciences Research Journal*, 33(2).
9. Dehler, G. E. and Welsh, M. A., 2003. The experience of work: Spirituality and the new workplace. In: R. A. Giacalone and C. L. Jurkiewicz, eds. *Handbook of Workplace Spirituality and Organizational Performance*. Armonk, NY: M.E. Sharpe, 108-122
10. Duchon, D., & Plowman, D. A. (2005). Nurturing the spirit at work: impact on work unit performance. *The Leadership Quarterly*, 16.
11. Fairholm, G. W. (1996), *Spiritual leadership: fulfilling whole-self needs at work*. *Leadership and Organization Development Journal*. Vol. 17 (5); pp. 11–17.
12. Felstead, A., Jewson, N., Phizacklea, A. and Walter, S. (2002), "Opportunities to work at home in the context of work-life balance", *Human Resource Management Journal*, Vol. 12, pp. 54-76.
13. Fernando, M, *Workplace spirituality: Another management fad?*, in M. Adams and A.Alkhafaji (2005), *Business Research Yearbook: Global Business Perspectives*, Volume XII, No. 2, International Academy of Business Disciplines.
14. Garcia, Z. J. (2003). Workplace spirituality and organizational performance. *Public Admin Rev*,63(3), 355-363.
15. Giacalone, R.A., & Jurkiewicz, C. L. (2003a). R. A. Giacalone, & C. L. Jurkiewicz (eds.), *Handbook of workplace spirituality and organizational performance* (pp. 3-28). New York: M. E. Sharp.
16. Hungelmann, J. (1985). Spiritual well-being in older adults: Harmonious interconnectedness, *Journal of Religion and Health*, 24(2), 147–153.
17. Hyman, J. and Summers, J. (2004), "Lacking balance? Work-life employment practices in the modern economy", *Personnel Review*, Vol. 33, pp. 418-29.

18. Kanter, R. M. (1977). *Work and family in the United States: A critical review and agenda for research and policy*. New York, NY: Russell Sage Foundation.
19. Koenig, H.G., McCullough, M., & Larson, D.B. (2000). *Handbook of Religion and Health*, Oxford University Press, New York, NY.
20. Krahne, K., Giacalone, R. A, and Jurkiewicz, C. L., 2003. Point-counterpoint: Measuring workplace spirituality. *Journal of Organizational Change*, 16(4), 396-405.
21. Karakas, F., 2010. Spirituality and performance in organizations: A literature review. *Journal of Business Ethics*, 94, 89-106.
22. King, S. M. (2007), Religion, spirituality, and the workplace: challenges for public administration. *Public Administration Review*, January/February, 103-114.
23. Mitroff, I. I., and Denton, E. A.: (1999a), A study of spirituality in the workplace. *Sloan Management Review*, Vol. 40; p. 83-92.
24. Mitroff, I. I., & Denton, E. A. (1999b). *A spiritual audit of corporate America*. San Francisco: Jossey-Bass Inc.
25. Marques J. Dhiman S. and King R (2005).. ‘Spirituality in the Workplace: Developing and Integral Model and a Comprehensive Definition’. *The Journal of American Academy of Business*
26. Marques, Joan F., Eugene Allevato, and Svetiana Holt. (2008) Linking quality management and emotional intelligence to workplace spirituality. *Organization Development Journal*, 26(4), 81-88.
27. Marques J. Dhiman S. and King R (2005).. ‘Spirituality in the Workplace: Developing and Integral Model and a Comprehensive Definition’. *The Journal of American Academy of Business*
28. Marques, Joan F., Eugene Allevato, and Svetiana Holt. (2008) Linking quality management and emotional intelligence to workplace spirituality. *Organization Development Journal*, 26(4), 81-88.
29. Milliman J., Ferguson J., Trickett D. and Condemni B. (1999), ‘Spirit and Community at Southwest Airlines’, *Journal of Organizational Change Management*, 12, 221-233.
30. Petchsawang, P. and Duchon, D., 2008. Measuring workplace spirituality in an Asian context. *Human Resource Development International*, 12(4), 459-468.
31. Pfeffer, J. (1981). Management as symbolic action: The creation and maintenance of organizational paradigms. In L. L. Cummings and B. M. Staw (Eds.).
32. Pfeffer J. (2003), ‘Business and the Spirit: Management Practice that Sustain ‘Values’, in Giacalone R. A. and Jurkiewicz C. L. (eds.). *Handbook of Workplace Spirituality and Organizational Performance*, M.E. Sharpe. New York.
33. Thompson, W. (2001). Spirituality at Work, *Executive Excellence*, 18(9), 10
34. Thompson, C.A., Beauvais, L.L., and Lyness, K.S. (1999), ‘When Work-Family Benefits Are Not Enough: The Influence of Work-Family Culture on Benefit Utilization, Organizational Attachment, and Work-Family Conflict’, *Journal of Vocational Behavior*, 54(3), 392-415.
35. Shaw, L. (2013). Are we ready to address the new expectations of work and workers in the transforming world of work? *Work* 44, IOS Press: 3-9
36. Urbanowski, R. (2012). Three scenarios where an Occupational Science Perspective was used to inform Public Policy. Canadian Society of Occupational Scientists Conference on Fostering Inter professional Excellence in Occupation. University of Alberta. Edmonton, Canada, 1-34.

SUSTAINABLE COST OPTIMISATION THROUGH VALUE ENGINEERING: THE CASE OF GREY ORANGE

Dhruv Diwan*, Dr. Anita Kumar**, and Dr. Smriti Asthana***

ABSTRACT

Many companies in the global competitive environment try to increase profits by either increasing sales or reducing cost of producing finished goods. A company may or may not achieve targets related to sales therefore cost reduction in the procurement and manufacturing operations are perceived to be more sustainable. It is better to reduce the cost in the initial stage to gain competitive advantage over other companies in the same domain. The traditional methods for reducing cost of operations are bulk buying, squeezing supplier and compromising on quality and delivery speed. Diverging from the traditional cost-cutting methods, this case highlights the innovative procurement and value reengineering practices adopted by Grey Orange, a multinational company that manufactures designs & assembles advanced robotics systems for automation of the Fulfilment centres and warehouses. Using the power of Artificial Intelligence, automation and excellent client service, they work closely with businesses to perceive their needs, optimize the supply chain and enhance process efficiency. Because of the nature of the products, the company was experiencing high cost of production. With the help of design team, procurement team and research team at the CII school of Logistics, the problem was addressed and understood using Kraljic Matrix for supplier segmentation, London Metal Exchange Data Analysis and Auto Cad Redesign Following action case research methodology, cost optimisation was done by changing the specification of 2 Products, namely aluminium profiles and angle bracket cover (Value engineering). Consequently, after two months of intense observation, and data analysis, 9% cost saving was achieved for aluminium profile and 97% cost saving was achieved for angle brackets by changing the product design and suppliers. The case study serves dual purpose as it highlights one of the important theoretical concepts of supply chain such as Supplier Segmentation Evaluation and it achieves cost benefits for the company.

Key words: *Product value re-engineering, Cost Optimization, Supplier segmentation, Kraljic matrix, Spend Analytics.*

* Research Scholar, CII School of Logistics, Amity University, Noida- 201301, U.P.

** Director, CII School of Logistics, Amity University, Noida- 201301, U.P.

*** Assistant Professor, CII School of Logistics, Amity University, Noida- 201301, U.P. Email: asthana_smriti22@yahoo.co.in

LITERATURE REVIEW

Sustainable cost optimization

With the growing global and local supply chains (SC) the need for sustainability is gaining impetus and has become an important component of everyday decision-making of the organisations. Sustainable development includes economic, environmental and social aspects of sustainability within SCs (Giddings, 2002), (Elkington, 2001) had used the three dimensions of sustainability, also referred to as the triple bottom line (TBL) for the first time.

Approach to Supplier Segmentation

In 2012 Rezaei, J. & Roland, O. developed three requirements to make an overarching approach to supplier segmentation. “Firstly, supplier segmentation should be based on their long-term potential, which we propose to assess in terms of supplier capabilities and willingness to cooperate. Secondly, other functional areas beyond purchasing must be considered when segmenting suppliers. Thirdly, supplier segmentation should be viewed as a step in a longitudinal process that includes selecting suppliers, segmenting them, managing the relationship with them and actively developing their role over time”.

METHODOLOGY

This project contains the spend analysis of the various items purchased from a single supplier PM. From the SAP ERP Dump, Purchase data was collected and stored in MS Excel. The data was carefully cleaned and using pivot table classified according to the purchasing date and items from the bill of material (BOM) with respect to order quantity and purchase value for each year 2017 and 2018. Spend Analytics based on ABC Analysis and Kraljic matrix has been done for the purpose of the study.

DATA ANALYSIS AND FINDINGS

Spend Analysis on commodity on a single supplier

Supplier PM – It is a German based supplier of the components and services for challenging industrial products. The products of PM, India are used extensively in India by leading players of the industry.

Data Extraction– Data was extracted from the SAP ERP Dump and transferred into excel sheet. The data contained purchase data from PM for the year 2017-19. Table 1 provides us the details of the parts purchased from the Single supplier PM. The net cost price of the parts is not listed down in the tables below due to confidentiality clause of the organisation.

Table 1 – Parts bought from PM with their Functional analysis

Specs/commodity	SAP Part code 1	Verb 1	Verb 2	Noun
Slot Stones				
Slot Stone NM6-30	GOIN-00000519-00	Connecting	Hold	Aluminium Profiles
Slot Stone NM6-40	GOIN-00005403-00	Connecting	Hold	Aluminium Profiles
Slot Stone RM6-40	GOIN-00011347-00	Connecting	Hold	Aluminium Profiles
Slot Stone NM8-30	GOIN-00005763-00	Connecting	Hold	Aluminium Profiles
Slot Stone NM8-40	GOIN-00005735-00	Connecting	Hold	Aluminium Profiles
Slot Stone RM8-40	GOIN-00201925-00	Connecting	Hold	Aluminium Profiles
Brackets				
Angle Bracket 30	GOIN-00000595-00	Hold & Join	Change direction	Aluminium Profiles
Angle Bracket 40	GOIN-00000976-00	Hold & Join	Change direction	Aluminium Profiles
Angle Bracket 40X80	GOIN-00008449-00	Hold & Join	Change direction	Aluminium Profiles
Angle Bracket 80	GOIN-00209949-00	Hold & Join	Change direction	Aluminium Profiles
FLANGE BRACKET WITH SPRING NUT 48167003	GOIN-00203963-00	Hold & Join	Change direction	Aluminium Profiles
Other Accessories				
End Cap F 80x80 Black	GOIN-00013950-00	Cover	–	Aluminium Profile
30X30-END CAP	GOIN-00200754-00	Cover	–	Aluminium Profile
END CAP 40X40	GOIN-00011037-00	Cover	–	Aluminium Profile
END CAP 40X80	GOIN-00011038-00	Cover	–	Aluminium Profile
Cable channel End cap	GOIN-00212845-00	Protect	–	Cables
Cable channel	GOIN-00212928-00	Protect	–	Cables
40X40 ANGLE BRACKET COVER	GOIN-00207829-00	Cover	–	Angle bracket
AI PROFILE COVER -KE4000572-Black	GOIN-00011821-00	Cover	–	Aluminium Profile
Aluminium Profiles				
Aluminium Profile 40x40	GOIN-00212371-00	Support	Structure	Racks
Aluminium Profile 40x80	GOIN-00011815-00	Support	Structure	Racks
Aluminium Profile 30x30	GOIN-00000590-00	Support	Structure	Racks
Aluminium Profile 80x80	GOIN-00011809-00	Support	Structure	Racks

CLASSIFICATION OF DATA

There is a need to classify the items to better understand how and where the company is spending their money. In MS Excel using pivot tables, we can classify our data according to needs and preferences. Various software tools can be used to classify data like SAP, Tableau, Microsoft Power BI etc. Here, the data has been classified according to parts bought from a single supplier for the years 2017-19. Table 2 and Table 3 show the purchase data converted into pivot table.

Table 2- Supplier PM Part wise Purchase List (2017)

Row Labels	Values		
	Sum of Order Quantity	Percentage	Cumulative
AL_PROFILE_40X40	1408	31.327%	31.327%
FLANGE_BRACKET_SPRING NUT	2222	18.862%	50.189%
AL_PROFILE_40X80	326	15.342%	65.531%
SLOT_STONE_RM6-40	4086	10.036%	75.567%
ANGLE_BRACKET_80	295	7.712%	83.279%
AI_PROFILE_COVER	5490	5.277%	88.556%
AL_CABLE_CHANNEL_COVER	169	2.415%	90.971%
AL_PROFILE_80X80	11	2.148%	93.120%
AL_PROFILE_30X30	566	2.118%	95.238%
AL_CABLE_CHANNEL	66	1.319%	96.557%
ANGLE_BRACKETS_40	857	1.002%	97.559%
ANGLE_BRACKET_30	58	0.484%	98.043%
ANGLE_BRACKET_40X80	100	0.389%	98.432%
SLOT_STONE_NM8-30	300	0.272%	98.704%
SLOT_STONE_NM8-40	300	0.272%	98.977%
ANGLE_BRACKET_COVER	150	0.266%	99.243%
CABLE_CHANNEL_END_CAP	24	0.235%	99.478%
END_CAP_40X40	468	0.226%	99.703%
END_CAP_80x80	20	0.180%	99.884%
END_CAP_40X80	90	0.103%	99.987%
SLOT_STONE_NM6-30	12	0.011%	99.997%
END_CAP_30X30	5	0.003%	100.000%
Grand Total	17023		

Table 3 – Supplier PM Part wise Purchase List (2018)

Row Labels	Values		
	Sum of Order Quantity	Percentage	Cumulative
AL_PROFILE_40X40	3635	27.0479%	27.0479%
AL_PROFILE_40X80	675	18.1955%	45.2434%
FLANGE_BRACKET_SPRING NUT	4900	14.3258%	59.5693%
SLOT_STONE_RM6-40	15000	11.0634%	70.6327%
ANGLE_BRACKET_COVER	2379	9.6440%	80.2766%
ANGLE_BRACKET_80	760	6.9260%	87.2026%
AI_PROFILE_COVER	12746	4.2711%	91.4737%

Row Labels	Values		
	Sum of Order Quantity	Percentage	Cumulative
AL_CABLE_CHANNEL_COVER	322	1.7303%	93.2040%
AL_CABLE_CHANNEL	246	1.7228%	94.9268%
AL_PROFILE_30X30	438	1.7146%	96.6414%
AL_PROFILE_80X80	23	1.6553%	98.2966%
ANGLE_BRACKETS_40	776	0.3164%	98.6131%
SLOT_STONE_NM6-30	940	0.2975%	98.9106%
ANGLE_BRACKET_40X80	200	0.2713%	99.1818%
SLOT_STONE_NM8-40	850	0.2690%	99.4508%
END_CAP_40X80	487	0.1943%	99.6451%
END_CAP_40X40	1060	0.1691%	99.8143%
END_CAP_80x80	31	0.0973%	99.9115%
CABLE_CHANNEL_END_CAP	15	0.0497%	99.9613%
SLOT_STONE_NM6-40	110	0.0348%	99.9961%
END_CAP_30X30	22	0.0039%	100.0000%
Grand Total	45615		

Analysis - From this data in Table 2 and 3 we can figure out WHAT we need to focus on to reduce the cost of the product. From the above data in Table 2 and 3, the data is categorised in 3 colours i.e Red, Yellow and Green through ABC analysis.

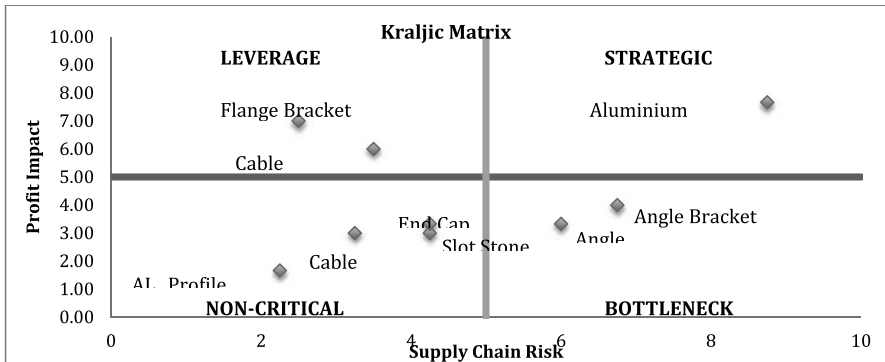
Here we need to focus on the red category for cost reduction and focus on green for process Improvement to get more time to focus on red category. Based on the ABC analysis it can be found out that we need to focus on Aluminium Profiles to reduce the cost as it has the maximum purchase value.

ABC analysis shares similar ideas as the Pareto principle, which states that 80% of overall consumption value comes from only 20% of items. Simply, it means that 20% of your products will bring in 80% of your revenues. ABC analysis works by breaking it down in the following ways:

- A-items: 20% of all goods contribute to 70-80% of the annual consumption value of the items (RED COLOR)
- B-items: 30% of all goods contribute to 15-25% of the annual consumption value of the items (YELLOW COLOR)
- C-items: 50% of all goods contribute only 5% of the annual consumption value of the items (GREEN COLOR)

To better understand how to reduce the cost of Aluminium Profiles, Kraljic matrix has been used. After placing it in the matrix, it was better understood how to tackle

with Aluminium Profiles based on their category. ABC analysis is useful to identify the impact on the basis of order quantity and price of the item purchased but Kraljic Matrix uses other factors listed below to create a clear understanding of the product. Kraljic Matrix is a four quadrant system for creating supply strategies for single items or item groups (Gelderman, 2005). The organization classifies all its acquired items in terms of profit impact and supply. A weighted average is being calculated for a list of questions being asked to the respondents. Graph 1 shows the Kraljic matrix for the cost of Aluminium Profile.



Graph 1- Kraljic Matrix defining all categories

- ▶ **Leverage-** It includes all those items which are easy to get but are of high value. It includes cable channel and flange bracket.
- ▶ **Strategic-** It includes those items which are not easy to get but have a high value. Aluminium Profiles come in this category and the method used to reduce cost is by value engineering to maintain a good relationship with the supplier.
- ▶ **Non Critical-** It includes items which are of low value and easy to get. All those routine items come in this category.
- ▶ **Bottleneck-** It includes items which are of low value and also not easy to get. Angle Bracket and its cover come in this category. To reduce the cost of Angle Bracket cover, we have made a good relationship with the supplier by providing tooling cost and sharing cost benefit.

CONCLUSION

Within supply chains activities becoming more complex, selecting an appropriate supplier based on the sustainability criteria (economic, environmental and social) can help companies move toward sustainable development. It becomes imperative

for the procurement managers of the different organisations to focus on supplier selection based on their contribution.

REFERENCES

- (n.d.). Retrieved from Spend Analytics 101: <https://sievo.com/resources/spend-analysis-101#spend-analysis-kpis>
- ABC Analysis/Pareto Analysis. (n.d.). (I. o. Studies, Producer) Retrieved January 24, 2020, from <https://www.ims-productivity.com>: <https://www.ims-productivity.com/page.cfm/content/ABCPareto-analysis>
- Elkington, J. (2001). Enter the Triple Bottom Line. 12. Retrieved from <http://www.johnelkington.com/TBL-elkington-chapter.pdf>. Acesso em, 11
- Gelderman, C. J. (2005). Purchasing Strategies in Kraljic Matrix. Retrieved from https://www.researchgate.net/publication/222430295_Purchasing_Strategies_in_the_Kraljic_Matrix_-_A_Power_and_Dependence_Perspective.
- Giddings, B. H. (2002). Environment, Economy and Society: Fitting Them Together into Sustainable Development. Sustainable development. 187-196 .
- Mujkić, Z. &. (2018). Sustainability and Optimization of Supply Chains: a Literature Review. *Operations and Supply Chain Management: An International Journal*, 11, 186-199. doi:10.31387/oscm0350213.
- Rezaei, J. &. (2012). A multi-variable approach to supplier segmentation. *International Journal of Production Research*, 50(16), 4593-4611. doi:10.1080/00207543.2011.615352.

Teaching Case :
**IPO DREAMS OF CHOPRA & JOHAR PRODUCTION
HOUSE PVT. LTD. (CJPH)**

Pardhasaradhi Madasu*

PROLOGUE

In January 2019, Rahul joined CJPH as a management trainee. Rahul is the grandson of Chopra, who is the co-promoter of CJPH. Rahul was called back from the USA, where he acquired an MBA degree with accounting and finance as majors and was working for a reputed investment banking firm. During the MBA summer internship, Rahul worked on a research project along with his professor Richard Adams. Prof. Adams is considered a corporate strategy specialist and an organizational consultant for top investment banking firms. The research project of Adams and Rahul concluded by a publication of a research paper titled 'Factors Influencing Corporatisation of Film Industry in Emerging Economies.' The specific reason for Rahul's come back is to give shape to his grandfather's dream of giving CJPH a new avatar of a publicly owned corporation. Based on the recent changes happening in the movie industry, Chopra intends to make CJPH go in for an IPO. Chopra is a good friend of Nambirajan Ganapathi Yadav and Natrajan Ganapathy promoters of Ganesh Films India Ltd. Ganesh Films was previously a proprietary firm and now an incorporated company. Chopra was inspired by the IPO issue of Ganesh Films in 2018 and had regularly consulted with his friends Nambirajan and Natrajan on this issue.¹

ABOUT INDIAN FILM INDUSTRY (INDYWOOD)

Indian film industry (IFI) is more than 100 years old and is the world's largest film industry based on the number of movies produced and exhibited annually.² Despite being the largest film industry based on the volume of movies, the gross revenue realization is much lower than the global film markets.³ Two primary reasons for lower revenue realizations are lower quality of content and piracy issues. The average ticket size, when compared to advanced economies, is still on a lower end. Bollywood is considered to contribute near to 50% of the revenues, and the balance of revenues gets shared by regional movies such as Tollywood or Kollywood along with the international films.

In recent past factors such as the increase in the price of the movie tickets,⁴ access to advanced technology across the value chain, fast urbanization, increase in the disposable incomes⁵, the rise of multiplexes and overseas demand for Indian

* Associate Professor (Finance Area), Siva Sivani Institute of Management,
Email: mpardhasaradhi@ssim.ac.in

films has led to an increase in the Indian film industry's revenue realization. Movies such as 'Baahubali' have shown to the world the power of Indian cinema. The increase in the revenues is highly correlated to the rise in the quality of film making. Without any doubt, 'Quality' of film making comes with a cost and leads to an increase in budgets. Wikipedia pages on most expensive Indian movies show that budgets of films like 'Padmaavat' and 'Thugs of Hindustan' have touched INR 300 crore mark.

Along with the growth in the core revenues, ancillary sources of revenues such as cable and satellite broadcast and digital media platforms (OTP) also have increased. Syndication deals have become common among the production and distribution houses. Entertainment companies have started to adopt many measures to de-risk their business models.⁶ Alongside the growth in revenues, due to technology such as digitization of content and delivery of content through satellite, few operational costs have considerably come down. All these have made the movie making and film exhibition a lucrative business. Corporates like the Singhanias and the Birlas have entered into movie business. Sanjay Leela Bhansali's 'Black' has come out of Aditya Birla Group's Applause Entertainment. India is also earning precious forex by the export of movie content and ancillary services.⁷

Along with the professionalization of movie-making at the production level, the film distribution and exhibition infrastructure have also seen a sea-change. Investment in multiplexes has increased, and as per the recent report of media, by the end of 2019, the number of multiplexes would cross 3000. Big players like Inox, Cinapolis, PVR, and Carnival cinema have significantly impacted the cinema exhibition segment. In a way, single-screens are fading out. Even at this growth rate in multiplexes, the screen penetration (as measured by screens per million of the population) is low compared to advanced economies. Low screen penetration is, in a way, a good indication of further growth in the segment by more flow of CAPEX.

In a way, the Indian movie industry, especially Bollywood, is now competing with Hollywood both in quality of film making and professionalism. The practice of informal agreement with stars is no more valid. Structured methods of funding the films and encouraging transparency in the legal contract have become the order of the day. Funding is no longer an issue for Indian filmmakers. Along with the formal modes of financing, thanks to the liberalized Foreign Direct Investment (FDI) guidelines, the film industry is eligible for 100% FDI.⁸ International studios such as Walt Disney have gained a foothold in the Indian market through inorganic growth.⁹

ABOUT CJPH AND IT'S DREAM OF GOING PUBLIC

Anand Chopra and Ramesh Johar were two childhood friends and were big enthusiasts of movies. During younger days, both of them were always dreaming of producing and exhibition of the film. The fondness towards the film has made them

promote CJPH, a movie production house in Bombay in the early 1970s. Period of the '70s and '80s is the golden era for the Indian Hindi cinema. During this phase, the movie industry (especially Bollywood) entered the stage of multi-starrer big-budget movies. The 1970s could also be regarded as a phase when the 'Studio System' was gradually replaced by 'Star System.' In this background, India has got a new super-star in the form of Amitabh Bachchan (A.B.). Zanjeer (1973) and Sholay (1975) have changed the course of Indian Hindi movies. Moviegoers were standing in queues to buy movie tickets in single-screen theatres.

CJPH has started as a partnership firm with both friends contributing equal capital and agreeing to share profits or losses in the proportion of 6:4 among themselves respectively. Chopra got a higher share in margins due to his goodwill and ability to rope in more prominent stars into production. In a way, Chopra agreed to take care of the majority of the operational issues. The firm got registered as per the provisions of Partnership Act, 1932, and both the partners were considered as active and working partners.

CJPH started growing along with the industry. The firm's average growth was much higher than the industry growth rate then, and the operating margins were also higher than that of the industry as a whole. Both partners believed that internal capital is more valuable, and it is a low-cost funding option in the periods of growth. Based on this belief, they pumped back the business's annual profits after charging salary to the firm's income statement. The idea worked out, and reinvestment of gains has fuelled further growth without much dependence on external capital.

As in any other industry, competition has started, and the market has become more vibrant. In the initial days of the movie making the studios had some monopoly and competition was restricted. Gradually market barriers to entry decreased, and competition has increased among production houses. Movie stars became expensive inputs for movie making, and this led to margins were becoming thinner initially. Budgets of the movies were increasing and required more operational capital. To fund this growth, initially, both partners pumped more equity and later on started relying on borrowed funds from non-institutional lenders, which incidentally increased finance charges. The reason for approaching non-institutional lenders was that banks and financial institutions were cautious in film financing. CJPH has an excellent reputation with lenders and suppliers concerning prompt debt-servicing and payment of dues. In a few instances, the partners sold their assets to service the debts. The ability of partners to take risk in business was restricted due to the unlimited liability clause of partnership firms. The business liabilities were paid off using personal assets. However, the partners have taken care to see that the creditworthiness of CJPH was excellent. The firm managed the business in this manner for almost two-and-half decades.

Factors such as competition, a requirement of high-end technology, debt burden, and the need for further capital has made both the partners rethink on the future of CJPH. Among other aspects, the prominent issue was changing the legal structure of CJPH from a partnership with unlimited liability to a privately owned company with limited liability. The conversion was felt necessary due to the advantages of a private limited company over and above partnership firm. At this juncture, Chopra deliberated and influenced Johar for accepting the conversion of the partnership firm to a privately owned company. Initially, Johar has opposed the idea of the private limited company, but it was because of Chopra's persistence he agreed for this move.

Before finally agreeing for the conversion, Johar has pondered on a few complex issues such as: availability of additional equity capital vis-à-vis dilution of control due to new shareholders, compliance requirements of corporations, statutory audit, and tax implications. Few questions were also raised regarding the need for revaluation of assets. Johar also had queries on tax issues such as capital gains in case of converting firms into Pvt. Ltd. Companies.¹⁰ With the help of one senior chartered accountant, Chopra was able to give legally convincing answers to all the queries of Johar. All the stakeholders were formally informed about the conversion of the firm into a private limited company. Required legal formalities for conversion were taken care and implemented under legal guidance.¹¹

Finally, during the first quarter of 1996s, CJPH Pvt. Ltd. was incorporated. The assets and liabilities of the firm were transferred to the private limited company. Chopra and Johar become promoter shareholders. The share capital was divided between them in the proportion of profit or loss sharing, as was in the dissolved firm. In due course of time, business flourished due to which few relatives and friends of both promoters have invested in the shares of CJPH. At no point in time, the shareholders of the company exceeded 200.¹² While increasing the number of shareholders, there was much deliberation between Chopra and Johar concerning the infusion of new capital and dilution of control. From the day of incorporation, a 'Board' was formed with 15 male members. Chopra became 'Chairman' of the Company and Johar, the CEO of the company. From the beginning, the promoters were taken care of to see that none of the board members (directors) are involved in any civil or criminal litigations.

During all these years, CJPH had demonstrated remarkable operational and financial performance and has won many laurels and awards for movies produced and distributed. Over time, CJPH has also successfully diversified into the production of television content both in Hindi and regional languages.

Nevertheless, from the last one-and-half decade (especially from early 2000) onwards, the competition and technology up-gradation in the media and entertainment industry has augmented due to which the performance of CJPH

has been getting impacted negatively. Big production houses with professional management and corporate structure started to give competition to CJPH. Alongside the regional movies started to attract the attention of the overseas audience and this was considered as an opportunity to grow. The year 2001 was a remarkable year because film production has received the status of 'Industry' from GoI. The industry status has led to RBI opening gates for institutional funding from banks. CJPH started to operate more professionally and adopted the best corporate practices that would be appreciated by institutional lenders.

At this point in time, again the promoters felt a need to rethink on the corporate structure of CJPH. Idea of converting the CJPH into a publicly traded company has started to make the promoters restless. Added to this the Indian IPO of global media giants such as EROS Entertainment Media Ltd.¹³ has added fuel to the desire of the promoters of CJPH to go public. However, promoters of CJPH know pretty well that going public through IPO issue requires a focused preparation.

PRELIMINARY PREPARATION FOR IPO

The management team at CJPH pretty well aware that going public means ready and willing to accept more oversight from market regulators. The public would be interested in subscribing to the public offering of those companies which are well-governed and have good credit rating. Both Chopra and Johar started to believe in the statement that 'Failure of Governance leads to Financial Failure.'

Based on industry experts' recommendations, the management team of CJPH started to give importance to strong corporate governance (CG) in the firm. They quiet-well understood the need and importance of having transparent governance in place. It was made clear to all the internal stakeholders of CJPH that external stakeholders, such as financial institutions would give good ratings to firms with active governance. Apart from good governance, CJPH has embraced best practices such as budgeting by apply scenario analysis, loan service monitoring, cost-monitoring mechanism, networking with the best talent in the industry, and also subscribing for proper insurance. CJPH has also made it a point that employees are the first customers of the company.

CJPH has started to subscribe to public liability insurance, key-men and workers insurance, and even accident insurance. For proper working capital management, sales advances from distributors were adequately tracked and collected. Cash cycle was properly tracked and the philosophy of 'Cash is the King' has been adopted. Many of these good practices were being implemented by a few leading corporate houses, which were also into movie making and distribution. In the last few years, CJPH has placed the best governance practices that are required for a well-managed company. To improve the efficiency of financial control in the firm, CJPH has initiated the installation of Enterprise Resource Planning software (SAP).

The commitment of CJPH to go public was so strong that during the recent years, two of the directors who got involved in both civil and criminal litigations were asked to leave the board of CJPH. Care was taken that the public image of CJPH is very clean. CJPH has also tied up with few local sports and social welfare events such that they get some mileage in brand building. CJPH has started a brand building programme 'Dekho-India' by identifying creative talent among college students and making short films that were uploaded to platforms such as YouTube. This programme got a good response and CJPH has become a known name in the urban household. The promoters have also taken enough precautions to avoid transactions with 'related-parties'. Whatever related party transactions were already entered are done on arm's length basis.

CJPH depends on the talent and services of many top key personnel. Keeping this in view a strategic HR plan was drafted. Apart from retaining the existing talent, attracting new talent in the industry was also a priority for the HR team of CJPH. The HR team along with the production managers were always in look for new acting talent through Dekho-India programme. Whenever they found a promising acting and allied talents such as script writers, CJPH has made it a point to make few commercial agreements with them for future projects. Because these talents were raw and new to the industry CJPH was able to rope them in at a very competitive prices.

Besides these new policies and practices, CJPH has also appointed an equity-research firm to scrutinize the financial statements and advice on issues related to preparation for IPO. This move was made based on some suggestions of the board members who were unconvinced with few financial numbers in the financial statements. It was opined that few financial items require write-offs from the financial statements. Further, the management team is also considering selling-off few non-core business assets, which could negatively influence the business's valuations in the future.

After scrutiny the equity-analyst firm has expressed a favorable opinion of issues such as; a) CJPH of not having any adverse auditor's report till date, b) having proper insurance for all properties and personnel, c) having a regular divided track record to its shareholders, d) having appropriate approvals and licenses for its activities, e) the benefit of owing own trademark or logo and f) promoters not having any conflict of interest concerning CJPH business transactions. As per the equity-analyst firm, these factors give CJPH a favorable review from financial media when the Red-Herring Prospectus (RHP) is made public.

Further, the promoters' farsightedness made them go in for appointment of a data-analyst team on a full-time basis. The predominant role of these guys was to gain insights from social media content regarding public opinion on latest films. Chopra and Johar know that the success of any production house depends on

catering to the moviegoers' changing demands. In the recent past, they observed that the genre of movies that are getting success at the box-office has changed. Using a data-analyst team for gaining insights from social-media was also the brain-child of Rahul. In addition to gaining insights from the social media content, the group of data analysts was also asked to conduct regular surveys involving the public, theatre operators, and other industry participants to know the industry's pulse. Along with promoters, Rahul also feels that this data would give them an edge over others.

Now, after being in the market for so-long, the promoters of CJPH felt a strong need to review and grow into a professional run corporate entity. Recently (somewhere in 2018) Chopra and Johar have met and decided to prepare a strategic plan for conversion of CJPH from a privately owned company to a publicly/widely owned company. This move was required to compete with the big players who have entered the industry in the recent past. Both the promoters know pretty well that going public with public issues is not easy and requires much pre-issue preparation. During their last meeting, they agreed to give at least two years to give shape to the IPO plan.¹⁴ Chopra and Johar have also contemplated the required Board meetings and resolutions to be passed. In this context, the entry of Rahul is considered critical for CJPH future course of action.

EXPECTATION FROM RAHUL

After joining CJPH, Rahul started to work towards the dreams of his grandpa. In this process, he sorted out a plan of action and set timelines for himself. The first step Rahul took was to get in touch with Prof. Adams. Rahul shared the details of his new assignment with Adams and was pleased to know that Prof. would be guiding him in this assignment. By the end of July 2019, Rahul was able to rope in five more eminent personalities apart from Adams to form part of the IPO team. Experts from the investment banking domain, accounting, legal, market analyst, and taxation were now part of the team. The end of June 2020 was taken as the deadline for preparation of a project report on various issues of CJPH going public. Before that, Rahul was expected to give a SWOT analysis of CJPH's going public (IPO Readiness Assessment).¹⁵

Rahul had individual interactions with each team member, and they also had a couple of joint meetings to assess the readiness of CJPH for the public offering. In general, it was accepted that CJPH, with some more efforts, is ready for a public offering. The market conditions also convinced the team as suitable for public offering. Rahul, along with his team, was sure that they could impress all the concerned with the readiness of CJPH for an IPO. Rahul was expected to prepare a checklist for the upcoming assignment. However, before moving forward, Rahul was supposed to give a presentation to the select few top executives on issues involved in IPO cost and timelines.¹⁶ As of now more focus is given to the non-

financial issues such as governance, brand image and networking with investment bankers. Gradually the focus is expected to shift to valuations and other financial issues.

EPILOGUE

Before meeting the top management with his presentation, Rahul is required to prepare a detailed note on the IPO process as per the norms prescribed by the market regulator (SEBI). It also has to conduct a specific analysis of primary market conditions that would influence the success rate of CJPH's IPO. The performance of IPO offerings by companies that are into the entertainment segment are also required to be analysed.¹⁷ The upcoming presentation is considered crucial, and Rahul could even rope in the other team members for the forthcoming presentation. Prof. Adams is also willing to fly to Mumbai such that he presents his views in person. Once this round of presentation is complete the team of Rahul has to work on issues of valuations and pricing of IPO. Rahul is confident of taking this task to the next level.

QUESTIONS FOR CASE DISCUSSIONS

- Q1 - Do firms operating in the movie industry need corporatization?
- Q2 - Is Chopra's desire to make CJPH a public limited entity a feasible desire?
- Q3 - According to you, is CJPH ready for IPO? Also, discuss factors for and against CJPH's IPO intentions.
- Q4 - List down the potential benefits and challenges once CJPH becomes a public limited Company.
- Q5 - 'Timing of IPOs is one of the most important factors for the success of IPO' – elaborate on this statement by suggesting Rahul on what factors he should consider for deciding on the IPO timing of CJPH.
- Q6 - If you were Rahul, what would be the significant points in your presentation to the Board?

REFERENCES

- Chowdhury, S. (2020). Average Cost of Movie Tickets in India 2020. Retrieved from *ValueChampion*: <https://www.valuechampion.in>
- Datta, S. (2008, April 11). Corporates Get a Bigger Role in Bollywood. Retrieved from *Financial Express*: www.financialexpress.com
- EY. (n.d.). IPO Readiness Assessment. Retrieved from *Ernst & Young*: https://www.ey.com/en_gl/ipo/readiness-assessment
- IBEF. (2020, June). Media and Entertainment . Retrieved from *India Brand Equity Foundation*: www.ibef.org

IIFL. (2010, September 22). Eros International Media IPO Receives Robust Response. Retrieved from *Capital Markets*, IPO Centre, IPO News: <https://www.indiainfoline.com>

Keelery, S. (2020, July 15). Film Industry in India - Statistics & Facts. (statista) Retrieved from www.statista.com

Modak, S. (2015, January 12). SEBI Strives to Cut Costs for IPOS. Retrieved from *Business Standard*: <https://www.business-standard.com>

Singh, B. (2018, July 20). The Movie Viewing Experience of an Average India Cinemagoer. Retrieved from *YouGov*: <https://in.yougov.com>

Endnotes

- 1 Ganesh Films was incorporated in 1985 as a proprietary firm and has evolved as a corporate entity by 2018. Ganesh films have created a distinctive mark for itself as a distribution hub for Southern language movies. The IPO issue of was listed at BSE-SME on July 31, 2018.
- 2 Value of Indian Film Industry is 183.2bn INR, Box Office Revenue of India during F.Y. 2018 – 19 is 142bn INR, and the number of cinema admissions in India 2.02bn. India stands 7th in Box Office collection with 1.6 in billion U.S. Dollars (Keelery, 2020).
- 3 The United States was the most significant film market in 2018, with an annual revenue of 32.23 billion U.S. Dollars. India does not find a place in the top five film markets based on income. The film revenue includes both revenues from the box office and also includes revenue from advertising, T.V. Channel programming reviews, and digital home videos. (Keelery, 2020).
- 4 The Indian average cost of watching a film at a theatre is approximately Rs. 108 on weekdays and Rs. 199 on weekends. Moviegoers in Delhi pay on an average of Rs. 146 on weekdays and Rs. 339 on weekends. There is a noticeable difference in price per ticket among India's major cities (Chowdhury, 2020).
- 5 In a survey, it is identified the 41% of the cine-goers in India spend an average amount of INR 200 – 500 per visit to movie theatre excluding movie tickets (Singh, 2018).
- 6 Yash Raj Films (YRF) has pride in choosing the 'Studio Model' and scale up its operations. Most of the top players in movie business such as Reliance Entertainment, Eros International, TIFC, and UTV has adopted the corporatization concept and are reaping the benefits. These big corporate culture based film makers are operating at every stage of the movie business value chain. They are in all three movie business segments, such as production, distribution, and exhibition (Datta, 2008).
- 7 The expected CAGR of media and entertainment industry during FY2019 – FY 2024 is 13.5 per cent. The industry is expected to reach a milestone of INR 3.1 lakh crore business by 2024. During 2019 the Indian film industry reached a milestone of INR 100 billion business (IBEF, 2020).
- 8 100% FDI through the automatic approval rate in Film and Advertisement Industry was allowed from mid-2002.
- 9 The Walt Disney Company acquired 21 Century Fox, which includes Star India also. Due to this merger, Star World, Star Kids, and Star Movies would be under the control of Walt Disney. The deal would be making Walt Disney a giant in the entertainment business of India.
- 10 Johar was asking on whether the conversion of partnership firms into private limited companies would come under the purview of 'Transfer' of assets and would it attract long-term or short-term capital gain taxes.
- 11 The Partnership Deed was amended to add conversion clause into the deed. This was required because conversion cannot be made with the conversion clause in the partnership deed. General

meeting of the members was called for and consent for conversion has been obtained. Proper advertisement of conversion has been given in the newspapers.

- 12 A Private Limited Company should have a minimum of two shareholders and a maximum of two hundred shareholders. With respect to the number of directors, the minimum is two directors and maximum is fifteen.
- 13 The IPO of Hindi movie distribution company Eros International Media has been subscribed 25.45 times on the last day of issue (21st September 2010). The shares that were offered in public issue were 1.85 crores however the bids received were 47.21 crores. Eros International Media planned to use the proceeds of the offering to acquire and co-produce Hindi and other regional films. The price band set for the issue was INR 158 to INR 175 and 36 lakh shares were allocated to 'Anchor Investors' at a price of INR 165. Big names such as Citigroup, IDFC Mutual Fund and Lloyd George Investment Management were the anchor investors for this issue (IIFL, 2010).
- 14 IPO process requires some homework in the form of Board approvals, the appointment of various intermediaries such (BRLMs, Legal Advisors, Registrar, Advertising Agency, etc.), discussion with marketing strategies along with BRLM, preparation of RHP, etc.
- 15 The original timelines in planning and going for an IPO are: Strategic considerations and IPO planning require 12 to 24 months, IPO preparation requires 6 to 12 months before IPO and IPO transaction 1 – 6 months before IPO. The minimum time for going in for an IPO is 19 months to 42 months, depending on the market and existing preparedness of the firm (EY, n.d.).
- 16 Related to the CJPH plan of IPO. The average expense for IPOs in 2014 was over 7% of the issue proceeds. The expenses of IPO for Shemaroo Entertainment was nearly 10 per cent of the issue proceeds, and this was the highest during 2014. Shemaroo has spent Rs. 12 crores for going public. The cost of marketing, printing, and distribution is the second-most cost after considering fees for investment bankers (Modak, 2015).
- 17 Performance metrics such as subscription rate, participation of institutional investors in the issue, listing day gains and post-IPO performance of the issue are few things that have to be analysed carefully.

CERTIFICATE OF REGISTRATION

The following is the statement about ownership and other particulars of ***PRERANA***: Journal of Management Thought and Practice. This newspaper has been registered under the Press and Registration of Books Act, 1867.

1	Title of the newspaper	<i>PRERANA</i> : Journal of Management Thought and Practice
2	Registration Number of the Newspaper	TNENG/2012/49627
3	Language/Languages in which it is published	English
4	Periodicity of its publication and the day/days/ dates on which it is published	Half-yearly
5	Publisher's Name	Mrs. R. Nandini
	Nationality	Indian
	Address	Founder Trustee GRG School of Management Studies PSGR Krishnammal College for Women Peelamedu, Coimbatore - 641 004, Tamilnadu, India
6	Printer's Name	Mr. R. R. Bharath
	Nationality	Indian
	Address	Ace Data Prinexcel Private Limited 16, Bharathi Colony Main Avinashi Road, Peelamedu Coimbatore - 641 004 Tamilnadu, India
7	Editor's Name	Dr. B. Sripirabaa
	Nationality	Indian
	Address	Associate Professor GRG School of Management Studies PSGR Krishnammal College for Women Peelamedu, Coimbatore – 641 004, Tamilnadu, India
8	Premises of Printing	Ace Data Prinexcel Private Limited 3/304 F, Kulathur Road off NH 47 by-pass Road Neelambur Coimbatore – 641 062 Tamilnadu, India
9	Place of Publication	GRG School of Management Studies PSGR Krishnammal College for Women Peelamedu, Coimbatore - 641 004, Tamilnadu, India

I, R. Nandini, do hereby declare that the particulars given are true to the best of my knowledge and belief.

(Sd/-) R. Nandini
Founder Trustee



PRERANA: Journal of Management Thought and Practice

SUBSCRIPTION FORM

Sir/Madam,

I/we wish to subscribe to **PRERANA: Journal of Management Thought and Practice** for one year. A bank draft bearing no. _____ dated _____ for Rs. _____ drawn in favour of '**PSGR Krishnammal College for Women,**' payable at Coimbatore, India towards subscription is enclosed.

Name:

Organization and Institute:

Designation and Corresponding address:

City _____ Pincode:

Handset: _____ Email:

SUBSCRIPTION RATES (per year)

INDIA Rs. 300/- per issue
Rs. 500/- for two issues (Annual)

Date:

Signature

The subscription form along with bank draft may be sent to
The Editor, **PRERANA: Journal of Management Thought and Practice**,
GRG School of Management Studies, PSGR Krishnammal College for Women
Peelamedu, Coimbatore – 641 004

Guidelines to Authors

1. All articles are subject to peer review.
2. The manuscripts should be between 2000 – 3000 words (including figures and tables), typed using MS Word in 1.5 line spacing, Times New Roman, 12-point size, on A4 size papers with 1” (2.54 cm) margin on all sides.
3. All references in the manuscript should be placed at the end and arranged alphabetically. The referencing style suggested by the American Psychology Association may be followed (www.apastyle.apa.org).
4. The cover page should contain (a) the title of the paper (b) author’s name (c) designation and official address (d) address for communication (e) phone numbers and (f) e-mail address.
5. Author(s) should include a brief profile of themselves in about 50 words.
6. A non-mathematical abstract of about 150 words should be submitted along with the manuscript.
7. Two hard copies of the manuscript along with a soft copy in CD should be sent by courier/post addressed to “The Editor, **PRERANA**, GRG School of Management Studies, PSGR Krishnammal College for Women, Peelamedu, Coimbatore - 641 004, Tamilnadu” and a soft copy to prerana@grgsms.ac.in.
8. Author(s) should send a declaration stating that the manuscript is not published, copyrighted, accepted or under review elsewhere. Please note that copyright of all accepted articles will be with **PRERANA**.
9. Each author will receive a complementary copy of the journal.

Deadlines for submission of Manuscripts

Issue Dated	Deadline for Submission
Issue No.1 - March	December 31
Issue No.2 - September	June 30

About GRGSMS

GRG School of Management Studies (GRGSMS) is a part of the GRG Group of Educational Institutions in Coimbatore under the aegis of the GRG Trust. The GRG Trust was established in 1956 by Shri G.R. Govindarajulu and his wife, Smt. Chandrakanthi Govindarajulu with a motto of empowering women through education.

Established in 1993, GRGSMS is one of the very few b-schools dedicated exclusively to women. The flagship programme of GRGSMS is the two-year, full-time MBA Degree. GRGSMS is approved by the All India Council for Technical Education (AICTE) and the degree is awarded by Bharathiar University, Coimbatore. GRGSMS is accredited by Accreditation Council for Business Schools and Programmes (ACBSP), USA.

The vision of GRGSMS is, “to be a leader in education, training and consulting in management founded on a strong base of core values, holistic perspective, and recognition of human dignity.” GRGSMS has a three-tier governance system in place - The Governing Council, the Academic Advisory Body, and the Board of Studies. These comprise eminent representatives of the industry and the academia.

GRGSMS is located on the campus of the GRG Institutions in Peelamedu. The environment-friendly landscape and architecture provides an enabling atmosphere for learning and development. The infrastructure is state-of-the-art, modern and contemporary. Well-equipped classrooms, technology-enabled teaching aids, multimedia lecture halls with video-conferencing facility, commerce and language laboratories, conference and seminar halls, a well-stocked library and 24/7 wi-fi connectivity ensure excellence in education. A spacious and hygienic cafeteria and sports ground help to develop holistic personality of students.

GRGSMS has a core team of qualified and experienced faculty, supplemented by eminent representatives of the industry as visiting faculty. Regular guest lectures by senior executives from industry and scholars from the academia help students to learn the latest in management theory and best industry practices.

The objective of the GRGSMS curriculum is to nurture and develop women leaders with holistic perspective and concern for the society and environment.

Executive Editor - **PRERANA**



GRG School of Management Studies
PSGR Krishnammal College for Women



Peelamedu, Coimbatore 641 004, Tamilnadu, India

Phone: +91 422 429 5860 / 429 5959

URL: www.grgsms.ac.in | Email to: prerana@grgsms.ac.in

Published by Mrs. R. Nandini on behalf of GRG School of Management Studies and published from GRG School of Management Studies, PSGR Krishnammal College for Women, Peelamedu, Coimbatore – 641 004 and printed by Mr. R.R. Bharath at Ace Data Prinexcel Private Limited, 3/304 F, Kulathur Road, off NH 47 by-pass Road, Neelambur, Coimbatore – 641 062. Editor: Dr. B. Sripirabaa.