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Critical Study on Changes in Prices Of Petroleum Products and its Effect on Economy of Nagpur District

Chandani R.Misar
(Researcher)

Dr. Mukul Burghate
(Researcher)

I. INTRODUCTION

The Critical study on changes in prices of Petroleum product and its effects on the economy of Nagpur district aim to bring contributions on the relationship between the oil and the global economy. The thesis aims to examine the effect of the Petroleum product prices on the economy, as well as the effect of various economic condition Nagpur district. It also examines the transition period of crude oil import to its refined product such as the petrol, kerosene, and diesel.

The biggest effect on the Petroleum price is determined by the supply and demand of crude oil and products derived from it. Organization of Petroleum Exporting Countries (OPEC) plays an important role on fixing Petroleum product prices and various political, social, economic conditions effect OPEC decisions. One of the major effects of Petroleum prices have on the world economy effects earning of individuals in many countries. An rise in Petroleum product prices leads to a transfer of income from importing countries to the exporting countries. However, this revenue of the exporting countries will be counterbalanced later on by losses resulting from decrease in demand due to economic recession experienced by importing partners.

Petroleum products are essential for day to day living and also for development. Affordable resources directly contribute to reducing poverty, increasing the productivity and improving the quality of life. Likewise lack of access to reliable resource is a severe impediment to sustainable development and economic growth. For any developing country, the energy consumption is related to the part of the overall economic development. Efficient use of resources and long-term sustainability remains core objective of the economic planning. The sustainability would take into the account not only available natural resources and issues related to ecological balance but also established the delivery mechanisms and the technological constraints that are prevalent in the system and immediate compulsion to meet the priority needs of the economy, self-reliance simultaneous and concurrent action it is, necessary to ensure that short-term

concerns do not detract the economy away from the long-term goals.

Rise in price of Petroleum products effects of oil prices on the macroeconomic variables that affect oil demand, in particular, and energy demand in general. The variables include real GDP growth, employment, interest rates exports and imports, inflation. Over the past several years, the Petroleum Industry in India has played an influential role in initiating the fast expansion of the economy of the country by contributing as high as 15% to the Gross Domestic Product of India. And in addition, exports by this sector also gave new height to the foreign exchange earnings. Above all, these sectors offer wide range of employment opportunities through the public and private sector companies.

II. PETROLEUM & NATURAL GAS SECTOR

A. Background

The term *petroleum* was found (in the spelling "petroleum") in 10th-century Old English sources. It was used in treatise *De Natura Fossilium*, published in the 1546 by a German mineralogist Bauer, it is also known as the Georgius Agricola. In the 19th century, the term *petroleum* was frequently used to refer to mineral oils produced by distillation from mined organic solids such as cannel coal (and later the oil shale), and the refined oils produced from them; in the United Kingdom, storage (and later transport) of these oils were regulated by a series of the Petroleum Acts, from a *Petroleum Act 1862* in c. 66 onward.

B. International Scenario

Global Petroleum product consumption is expected to register a substantial growth over the present levels. Most of this incremental demand will emanate from developing countries including China and India where oil consumption is expected to grow at rate 3.8 and 2.4 percent respectively as against the world average of 1.4 percent. Non-OPEC (Organization of Petroleum Exporting Countries) production, though the showing at an the upward trend, it will not be the sufficient to

service these incremental demand emphasizing, once again, the continued dependence of the world on OPEC oil for its energy requirements.

Natural gas has been rightly termed as the fuel of the 21st century. Natural gas, the third largest contributor to the global energy basket, it is projected to rise at a rate faster than any other energy source. In the global context, natural gas market era has truly begun during the last 5 years. The global Petroleum product markets are fast integrating, and commercial models are they undergoing rapid changes, and these market structures are evolving and fast changing. Leading this growth in global Petroleum product sector are the Asian markets with special investment focus on countries like China and India.

III. EFFECTS OF RISE IN PETROLEUM PRODUCT PRICES ON ECONOMY

Energy market conditions reflect the effects of Petroleum product prices on the macroeconomic variables that affect oil demand, in particular and energy demand in general. The variables include real GDP growth, inflation, employment, exports, imports, and interest rates.

- When the prices of petroleum products rise, consumers use more of their income to pay for oil-derived products, and their spending on the other goods and services declines.
- Petroleum product is also a vital input for the production of a wide range of goods and services, because it's used for the transportation in businesses of all types.
- Higher oil prices thus raise the cost of inputs; and if the cost rises cannot be passed on to consumers, economic inputs such as the labour and capital stock may be reallocated.
- There will be an impact on price level and on the inflation.

- There will be both direct and indirect effect on the financial markets.
- Higher Petroleum product prices can cause worker layoffs and the idling of the plants and reducing economic output in the short term.
- The United States is a net importer of oil; higher Petroleum product prices affect the purchasing power of U.S. national income through their impact on the international terms of trade.

IV. OBJECTIVE OF THE STUDY

- To study the potential impact on rise in the price of Petroleum product on the Indian economy.
- To study current market conditions and the near term outlook for Petroleum product price reflect the interplay of production, stocks and consumption.
- To study some petroleum companies and examine the effects on the Petroleum product prices.

V. LIMITATIONS OF THE STUDY

- A descriptive research is undertaken for the purpose of study. But descriptive research has its own limitations regarding the selection of sample survey.
- The researcher will gather some data from the Petroleum companies. And the researcher also find out reasons behind the company for rising prices and company strategies.

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Expectations of Industries from Management Students

¹Dr. U. B. Dubey,
HOD- MBA,
TGPCET,
Wardha Road, Nagpur-441108
Maharashtra, India.
drumesh.dubey@gmail.com
Mobile : +91-9822773226

²Dr. P.L. Neulkar,
Associate Professor,
SA&CC, Butibori, Nagpur-441108
pneulkar68@yahoo.com
Mobile: +91-9822697670

Abstract - Expectations of Industries from Management Students building a Bridge between Industry & Management. University curriculum is focused on applying general management principles and an elective based methodology which is supposed to provide some understanding of a functional area i.e. Marketing Management, Financial Management, Human Resource Management, Information Technology Management, HealthCare Management, International Business Management, Operations Management, Banking & Financial Services Management, Agri Business Management, Power Management, Environment Management etc. However, the reality is that this specialization is only indicative of the interest of the candidate and the reality is that industries will start asking for more specialized knowledge that is particular to a specific profession and can only be developed over time. This means that we need people who are still willing to learn and adapt rather than rest on the laurels of their MBA. Industries are looking for both intellect, consistency in performances across your education and professional backgrounds and skills relevant to their business. It is more about your fitment to the needs of the corporate as well as how the person can be molded to what the corporate is looking for. This paper attempt to focus on Academic record which is usually a filtering criteria used by industries. Study concluded that though MBA students have done well in their MBA and can articulate the same then they can recover from a weak academic performance but the researchers hope that their selection to an MBA means that they have the basic academic achievement that is needed.

Keywords: HealthCare, articulate, achievement, specialized, Bridge.

I. INTRODUCTION

Most industries are looking for people with senior management potential. In their view, MBA graduates

have an above-average chance of fulfilling this need, but they are careful not to raise expectations too high. They also want people who can be effective quite rapidly. The many MBA students wanting to change career direction can therefore have difficulties, whatever their long-term potential.

In context of the changing global economic environment there is a need to assess the relevancy of academic output from higher academic institutions to the industry specially the country like India

The main purpose of this study is to analyse the befittingness MBA candidates to the industries and to assess the gap, if any and this gap can be filled by adopting the suitable measures by academics and industry both. How the academia should design its syllabi so that it can match with the current industrial requirements. To attain this target, a close collaboration between institutions and industry is essential in order to minimize the obsolescence of academic output from the academics.

II. REVIEW OF LITERATURE

Rajsekaran and Rajasingh (2009) have concluded that the perception gap between industry and faculty must be correlated to improve the employability of students and enhance the quality of higher education. Industry leaders presume that only 13% of people coming out of Indian colleges are employable.

Ghosh et al (2007) have concluded that at present, there are several mechanisms operational in India,

with 'Academia-Industry interaction,' as a fulcrum of technical education. He focussed that by involving the industries right from the stage of drafting syllabi to absorbing the trained students, they are allowed to shape the CORE into a highly productive Human Resource Centre. This also enables them to reduce the time required to orient a fresh graduate before s/he could be inducted into shop floor and to upgrade/re-skill their existing employees at a very competitive cost.

Modi (2009) have concluded that fresh graduates, who join the industries, require six months to 2 years as gestation period to show their contribution and, many a time, they leave the organisation before they start showing results. This is due to the gap between theory and practice.

Paliwal (2009) have concluded that coordination among the efforts of academia, industry and the government. He emphasized on instilling the traits which are expected by the prospective employers.

Patel and Popker (1998) have concluded that ensuring a common platform for industry and education institutions to work out value-based curriculum taking into consideration the needs of industry.

A. Supervisory skills and MBA Candidates

Many companies still complain that MBA graduates' excellent theoretical knowledge is not correlate by sufficient interpersonal and supervisory skills, which are essential in a good manager. Graduates who are hired therefore have to be given the opportunity to learn these skills. Some companies still consider that students are taking their MBAs too young. The argument is that companies need young people in their 25s who are to extent specialists, such as engineers and economists. It is not until they reach their 35s that they are likely to need the kind of broadening into general management that the MBA experience can provide. It is also one of the reasons so many companies favour the part-time, executive and distance-learning programmes, which can fit better into a manager's career at the appropriate time. It is the hot-house academic atmosphere of a full-time programme, designed to induce a radical change

in outlook, that is responsible, many consider, for creating exaggerated expectations and later difficulties in survival.

B. A cultural fit for consultants

Consultants attract MBA graduates not so much because of high salaries but because graduates can fit into the culture more easily. Such employers know what MBA graduates can do and how to use them effectively

Few companies were willing to invest in recruiting graduates from universities with a first degree, employing them for one year and then encouraging them to leave to go to business school with no guarantee of return.

Few students joining consulting firms spend the rest of their lives there. Many are attracted by the high salaries, the lifestyle and the high-profile nature of the job, which allows them access to corporate life at the high level.

C. Traditional approach

The way more traditional employers assimilate new MBA graduates is to place them in central staff positions with roles such as strategic planning. Special induction and training programmes are used, with a mentor. After a year they may be tested in line-management positions. MBA graduates have more to offer and expectations based on this have to be met.

D. Change in attitude

Managers saw MBA graduates as being programmed to want to run things immediately, without practical skills they needed to learn how to manage the people. As organizations destroying old-style career structures and putting heavy emphasis on teamwork, such attitudes were even more alien.

III. OBJECTIVES OF STUDY

1. To Design, develop and standardize a questionnaire to measure the gap between academic knowledge and industrial requirement.

2. To identify the underlying factors for gap between academic knowledge and industrial requirement.

3. To open new doors for further research.

IV. RESEARCH METHODOLOGY

A sample of 60 persons from Indian Industries and academic institutions was chosen for study. Simple random sampling technique was used to complete the study. A self designed questionnaire & Likert scale was used, where '1' represents strongly disagree and '5' represents strongly agree for the data collection.

After contacting 60 persons via mail and personally, only 40 have responded with filled questionnaire. 07 questionnaires were rejected on technical ground and finally response of 33 respondents was subjected to analysis. Out of these 33 respondents, 20 were from

academic institutions and 13 were from sundry industries.

V. REQUIREMENTS CHANGE AS MARKETS CHANGE

- Employers' recruitment operations are becoming much more short-term. Companies frequently look for specific mixes of skills, and the mix can change rapidly
- Rapid change has led some careers offices to complain that they have problems trying to work out what employers want, and they suspect that the employers do not know either.

VI. TOTAL VARIANCE EXPLAINED

Factor Name	Variables
Communication Skill	Good communication skills -15 Industry correlate the communication skill of a new entrant with its performance-25
Leadership Skill	Industry is satisfied=12 Possess effective leadership Skill =9
Suitability	Fulfil the industry Requirement=3 Suitable for the industry =5 Adaptable to the changing conditions of the Industry Environment=6
Analytical Skill	Take lesser time =5 Having strong analytical power=4 Poor English communication =6
Dressing Sense	Better dressing sense =6 Industry is satisfied with =35
Language Preference	Industry expects English =8
Manageability	Easy to manage=18
Training Needs	Needs lesser training = 6

VII. CONCLUSION

Many human resources preferred not to employ MBA graduates on the grounds of their arrogance, their excessive expectations of career and salary potential, and the difficulty of fitting them into established teams and career systems.

Investigations revealed that there is ample gap between the academic output and industrial requirement. Out of the all factors, Communication Skill was found as the most important contributing factor.

Most MBA graduates are well aware of trends in the job market and that they have to climb the ladder like anyone else. But they also argue that there is a fine dividing line between undesirable arrogance and the

thoroughly desirable ambition, confidence and intellect that an MBA is supposed to inculcate

The gap between academic output and industrial requirement must be bridged to improve the employability of the students and enhance the quality of higher education.

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Changing Face of Banking by Technological Innovation & Challenges

Prof. Farha Hussain ,
Assistant Professor, Department of MBA,
Tulsiramji Gaikwad-Patil College of Engineering and Technology, Wardha Road, Nagpur
E-mail:hussainfarha10@gmail.com, Mob:9665119065

Abstract: Banking system is crucial component of global economy. Indian banking system touches the lives of millions of people and it is growing at a fast pace. Banking industry in India is facing number of challenges like changing needs and perceptions of customers, new regulations from time to time and great advances in technologies. The pressure of meeting these challenges have compelled banks to change the old ways of doing business. The research paper focuses on how the technology has transformed the face of banking in India. India's banking system has seen some major financial innovations in the past decades which lead to tremendous improvements in banking services and operations.

The various innovations in banking and financial sector are ECS, RTGS, EFT, NEFT, ATM, Retail banking, Debit and Credit cards, free advisory services, online banking, mobile banking and many more value added products and services. This paper also highlights the benefits and challenges of changing banking trends. Banks are investing heavily in adoption of these innovations. The need of hour is to design such a system that encourages the efficiency of investment in innovations and widens the gap between revenues and costs involved with reference to technological up gradation.

Keywords: Indian Banking, Financial Innovations, Technological Changes, Challenges.

Banks are regarded as the nerve centre of the trade, industry and commerce of a country. They provide finance to all the sectors and as such are regarded as the backbone of the business units. The word "Bank" has been derived from the German word "Bank" and the Italian word "Banco". These words denote a joint stock fund. The word banking denotes a certain kind of trading operation in money. The trading operation in money and of exchange of money, the lending of money, transmitting of money and depositing of money. The banking system of the country is governed by an Act called the banking regulation Act, 1949. The banking industry in India has a huge canvas of history, which covers the traditional banking practices from the time of Britishers to the reforms period, nationalization to privatization of banks and now increasing numbers of foreign banks in India. Therefore, Banking in India has been through a long journey. Indian Banking Sector has witnessed a number of changes. It has undergone a huge transformation in the years since Independence. The rate of transformation was particularly high , when a number of innovations changed the way banking was perceived and it was the result of autonomous and induced necessities of the environment. In the 1990s, the banking sector in India pronounced greater emphasis being placed on technology and innovation. Banks began to use technology to provide better quality of services at greater speed. Information technology has made it convenient for customers to do their banking from geographically diverse places which earlier remain uncovered.

I. INTRODUCTION

II. FINANCIAL INNOVATION

Financial innovation can be defined as the act of creating and then popularizing new financial instruments as well as new financial technologies, institutions and markets. It includes institutional, product and process innovation. Financial innovation is key to survival of banks in contemporary banking environment. The importance of financial innovation is widely recognized. Many leading scholars, including Miller (1986) and Merton (1992), have highlighted the importance of products and services in the financial arena. Innovative ideas are manifest in diverse industries and in different forms.

Example: innovation in product development is one of the forms of innovation that has been used by banks. Right from the beginning stage of financial modernization innovations have been playing major roles in curtailing financial exclusions and improving the ways banking services are rendered to people. Financial innovation is one of the commonly used banking terminologies. It has been used to describe any change in the scale, scope and delivery of financial services.

The deregulation of financial service industry and increased competition with in investment banking undoubtedly led to increased emphasis on the ability to design new products, develop better process, and implement more effective solution for increasingly complex financial problems. These financial innovations are a result of number of Government regulations, tax policies, globalization, liberalization, privatization, integration with the international financial market and increasing risk in the domestic financial market.

Financial innovation is the process through which finance managers or intermediary institutions in financial markets add value to existing plain vanilla products that satisfy the user needs. According to John Finnerty, "Financial Innovation involves the design, the development, and the implementation of innovative financial instruments and processes, and the formulation of creative solutions to problems in finance". The various innovations in banking and financial sector are ECS, RTGS, EFT, NEFT, ATM, Retail Banking, Debit & Credit cards, free advisory services, payments of utility bills, fund transfers, internet banking, telephone banking, mobile banking, selling insurance

products, issue of free cheque books, travel cheques and many more value added services.

Intense competition among the banks has redefined the concept of the entire banking system. The banks are looking for new ways not only to attract but also to retain the customers and gain competitive advantage over their competitors. The banks like other business organizations are deploying innovative sales techniques and advanced marketing tools to gain supremacy. The main driver of this change is changing customer needs and expectations. Customers in urban India no longer want to wait in long queues and spend hours in banking transactions. This change in customer attitude has gone hand in hand with the development of ATMs, Mobile phone and net banking along with availability of service right at the customer's doorstep. With the emergence of universal banking, banks aim to provide all banking product and service offering less than one roof and their endeavor is to be customer centric. While banks are striving to strengthen customer relationship and move towards 'relationship banking,' customers are increasingly moving away from the confines of traditional branch banking and seeking the convenience of remote electronic banking. Information technology and the communications networking systems have revolutionaries the working of banks and financial entities all over the world.

III. OBJECTIVE OF THE STUDY

- To study how innovations have contributed to the development of Indian banking.
- To study the challenges faced by Indian banks in the changing scenario.

IV. INNOVATIONS IN BANKING SECTOR

Banking industry in India has also achieved a new height with the changing times. Customer services and customer satisfaction are prime responsibilities of banks now days. Information technology has given rise to new innovations in the product designing and their delivery in the banking and finance industries. Technology offers a chance for banks to build new systems that address a wide range of customer needs including many that may not be imaginable today. Banking through internet has

emerged as a strategic resource for achieving higher efficiency, control of operations and reduction of cost by replacing paper based and labor intensive methods with automated processes thus leading to higher productivity and profitability. Financial innovation associated with technological change totally changed the banking philosophy and that is further tuned by the competition in the banking industry. Challenging business environment within the banking system create more innovation in the fields of product, process and market.

- **ATM**

An automated teller machine (ATM) is a computerized telecommunications device that provides a financial institution's customers a secure method of performing financial transactions in a public space without a human clerk or bank teller.

ATM can be interior (i. e., located in the branch premises) or exterior (located anywhere outside the branch premises). Banks need not obtain permission of the RBI for installation of ATMs at branches and extension counters for which they hold licenses issued by the Reserve Bank. They can also install offsite ATMs without RBI approval.

However, they should obtain a license from the regional office of DBOD (Department of Banking Operations and Development) of RBI, before operationalizing the ATM, so as to be in conformity with section 23 of the Banking Regulation Act.

The penetration of ATMs across the country increased in 2012-13 with the total number of ATMs crossing 1, 00,000, clocking a double digit growth during the year This growth was driven primarily by private sector banks, with their share in total ATMs picking up rapidly to about 38 per cent. Also Over the years, the relative growth in off-site ATMs has been much more than that of on-site ATMs. As a result, by 2012-13, off-site ATMs accounted for more than half the total ATMs in the country as shown in Table 1:

- **Debit Card and Credit Card**

A debit card is an electronic card issued by a bank which allows bank clients access to their account to withdraw cash or pay for goods and services. This removes the need for bank clients to go to the bank to remove cash from their account as they can now just go to an ATM or pay electronically at merchant

locations. This type of card, as a form of payment, also removes the need for cheques as the debit card immediately transfers money from the client's account to the business account.

A credit card is issued by a financial company giving the holder an option to borrow funds, usually at point of sale. Credit cards charge interest and are primarily used for short-term financing. Interest usually begins one month after a purchase is made and borrowing limits are pre-set according to the individual's credit rating.

There has been growth in issuance of debit and credit cards by public and private sector banks. However Debit cards are a more popular mode of electronic money than credit cards. So far, debit cards have been a more popular mode of electronic money than credit cards in India as shown in Table2. While public sector banks have been frontrunners in issuing debit cards, new private sector banks continue to lead in the number of credit cards issued (Table2).

- **NEFT**

According to Reserve Bank of India, National Electronic Funds Transfer (NEFT) is a nation-wide payment system to facilitate one-to-one funds transfer. Under NEFT, individuals, firms and corporate can electronically transfer funds from any bank branch to any individual, firm or corporate having an account with any other bank branch in the country participating in the Scheme. The funds under NEFT can be transferred by individuals, firms or corporates maintaining accounts with a bank branch. Even individuals not having a bank account can deposit cash at the NEFT-enabled branches with instructions to transfer funds using NEFT. However, such cash remittances will be restricted to a maximum of Rs.50, 000/- per transaction. Such walk-in-customers have to furnish full details including complete address, telephone number, etc. NEFT, thus, also help in transfer of funds even without having a bank account. This is a simple, secure, safe, fastest and cost effective way to transfer funds especially for Retail remittances.

- **RTGS**

Real Time Gross Settlement system(RTGS), introduced in India since March 2004, is a system through which electronics instructions can be given

by banks to transfer funds from their account to the account of another bank. The RTGS system is maintained and operated by the RBI and provides a means of efficient and faster funds transfer among banks facilitating their financial operations. As the name suggests, funds transfer between banks takes place on a 'Real Time' basis. Therefore, money can reach the beneficiary instantaneously and the beneficiary's bank has the responsibility to credit the beneficiary's account within two hours.

There has been sustained growth in both the volume and value of all types of electronic transactions of SCBs in general and debit transactions in particular in recent years, a trend that continued in 2012-13 (Table 3). Both RTGS (meant for large value payments system, processing both customer and interbank transactions of ₹2, 00,000 and above) and NEFT (a retail system) consistently posted double digit growth in terms of the volume of transactions routed through these systems.

V. CHALLENGES AHEAD FOR BANKING SECTOR

Technological changes in Indian banking system presents unique opportunities and challenges for the banking industry. Developing or acquiring the right technology, deploying it optimally and then leveraging it to the maximum extent is essential to achieve and maintain high service and efficiency standards while remaining cost effective and delivering sustainable return to shareholders. Managing technology is therefore, a key challenge for the Indian banking sector. Developing countries like India, has a huge number of people who don't have access to banking services due to scattered and fragmented locations. But if we talk about those people who are availing banking services, their expectations are raising as the level of services are increasing due to the emergence of Information Technology and immense competition between the services & products provided by different banks. Since, foreign banks are playing in Indian market, the number of services offered has increased and banks have laid emphasis on meeting the customer expectations.

India is a country with huge population and the demographic growth of India is such that it is going

to become the most populated country very soon. Technological advancements can bring about close integration between the urban and rural population. The primary challenge is to give consistent service to customers irrespective of the kind of customer whether rural or urban. Retention of customers is going to be a major challenge. Banks need to emphasis on retaining customers and increasing market share. Even with ATM machines and Internet Banking, many consumers still prefer the personal touch of their neighborhood branch bank. Technology has made it possible to deliver services throughout the branch bank network, providing instant updates to checking accounts and rapid movement of money for stock transfers. However, this dependency on the network has brought IT department's additional responsibilities and challenges in managing, maintaining and optimizing the performance of retail banking networks. Illustratively, ensuring that all bank products and services are available, at all times, and across the entire organization is essential for today's retail banks to generate revenues and remain competitive. Besides, there are network management challenges, whereby keeping these complex, distributed networks and applications operating properly in support of business objectives becomes essential. Specific challenges include ensuring that account transaction applications run efficiently between the branch offices and data centers. Banks in India will now have to work towards a vision to have an enhanced retail delivery system. Such a system would include transformed branches, enhanced telephone services, and leading-edge internet banking functions that provide a consistently positive multi-channel experience for the customer. Some of the challenges that the banks are facing today are:

- Competition from private banks
- Competition from MNCs
- Managing diversified needs of customers
- Diminishing customer loyalty
- Coping with regulatory reforms
- Restructuring and reorganizing banks' setup towards thinner and leaner administrative offices;
- Maintaining high quality assets.
- Management of impaired assets.
- Keeping pace with technology up-Gradations

- Problem of Non-Performing Assets (NPA)

The banking industry is changing at a phenomenal speed. While at the one end, we have millions of savers and investors who still do not use a bank, another segment continues to bank with a physical branch and at the other end of the spectrum, the customers are becoming familiar with ATMs, e-banking, and cashless economy. This shows the immense potential for market. Banks are setting up alternative delivery channels to contain operating costs like off-site ATMs, internet banking, telebanking, outsourcing, centralized transaction processing, etc.

No doubt, the benefits of technology have brought a sea-change in the outlook of modern banking. Now the goal of banking is not just to satisfy but to engage with customers and enrich their experience and for the successful achievement of this goal, the only sustainable competitive advantage is to give the customer an optimum blend of technology and traditional service. With technology occupying a pivotal role in delivery of banking services, the expectations of the consumer have also been growing. Broadly, these expectations are swift service with minimal response time, efficient service delivery, tailor-made and value-added products to suit specific needs, hassle-free procedures and minimum transaction costs, and pleasant and personalized service.

VI. CONCLUSION

India is one of the top 10 economies in the world, where the banking sector has tremendous potential to grow. The number of ATMs has doubled over the past few years, with more than 100,000 in the country at present (70 per cent in urban areas). They are estimated to further double by 2016, with over 50 per cent expected to be set up in small towns. Also, the scope for mobile and internet banking is big. At the start of 2013, only 2 per cent of banking payments went through the electronic system in the country. Today, mobility and customer convenience are viewed as the primary factors of growth and banks are continuously exploring new technology, with terms such as mobile solutions and cloud computing being used with greater regularity. However, Indian banking industry faced the numerous challenges such

as increasing competition, pressure on spreads, and systemic changes to align with international standards have necessitated a re-evaluation of strategies and processes in order to remain competitive in this dynamic environment. Banks have to adopt a holistic approach to fulfill the ever changing needs of customers and to grab a better market share. Development of sophisticated products with low cost technology is the key. This calls for in-depth analysis of customer needs the market and competitor trends. This analysis plays a very important role in devising new strategies, products and services. Due care will have to be made while embracing technology and transforming traditional touch points to electronic ones, so that human touch with customers is also not lost. In the end, it can be rightly said that productivity and efficiency will be the watch words in the banking industry in the years ahead. Strategizing organizational effectiveness and operational efficiency will govern the survival and growth of profits; besides bringing changes in the mindset of the employees, which is imperative with the changing times.

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A Study of Small and Medium Enterprises

Meenal Wankhede,
Assistant Professor MBA,
Tulsiramji Gaikwad-Patil College Of Engineering & Technology.
Email.IDMeenal.mba@tgpct.com, meenal18wankhede@rediffmail.com

Abstract: A rising standard of living is the result of many contributing factors interacting in a complex pattern. One such contributing factor is the capacity of a nation's firms to achieve high levels of productivity, and to increase productivity over time. Small and Medium Enterprises (SMEs) in developing countries have significantly lower productivity, as measured by added value per employee in comparison with developed countries. One reason for this imbalance is the traditional business practice in many developing countries of price competition as opposed to product innovation and superior customer value. The concept of added value is used to characterize three business strategies with decreasing, unchanged and increasing added value. In the third strategy the increased added value is the result of a price increase, justified through improved functional product or service quality.

Keywords: *Financial Access, Credit, Constraints, Regulation, industrial sector, India, economy and labour*

I. INTRODUCTION

Small and Medium Enterprises is an integral part of the Indian industrial sector. The distinctive feature of Small and Medium Enterprises (SMEs) are less capital investment and high labour absorption which has created unprecedented importance to this sector. As per the Development Commissioner of Micro, Small and Medium Enterprises (2001), the sector has the credit of being the second highest in employment, which stands next to agricultural sector. The nature of the businesses in this sector plays an important role to alleviate poverty and propel sustainable growth and equitable distribution of income in India. The SMEs play an important role in efficiently allocating the enormous labour supply and scarce capital by implementing labour intensive production processes. SME triggers private ownership, boosts entrepreneurial skills and their flexibility in responding quickly to changing market demand and supply conditions are noteworthy.

II. FACTORS AFFECTING SME'S

MSMEs in India face several problems such as, lack of availability of adequate and timely credit, high cost of credit, lack of collateral requirements, limited access to equity capital, problems in supply to government departments and agencies, procurement of raw materials at a competitive price, issues of storage, designing, packaging and product display, lack of access to global markets, inadequate infrastructure facilities like power, water and roads, low technology and lack of access to modern technology, problems of skilled labour for manufacturing, services and marketing, multiplicity of labour laws and complicated procedures, absence of a suitable mechanism which enables the quick revival of sick enterprises and measures to close down the unviable entities and issues relating to direct and indirect taxation and their procedures Benefits

Small businesses survive and prosper for many different reasons:

- Developing personal relationships - small businesses are well placed to build personal relationships with customers, employees, and suppliers. With a small business you know who you are dealing with; you can 'put a face' to the person you are in contact with. Person-to-person interaction is as important as ever in building strong relationships.
- Responding flexibly to problems and challenges - in a small business there is little hierarchy or chain of command. Large businesses may have set ways of operating and establish procedures that are hard to change. Small businesses are often far more flexible. It can also reach a quick decision on whether or not it can do what is required.
- Inventiveness and innovation - small businesses are well positioned to introduce and develop new ideas. This is due to their owners not having to report or

seek approval from anyone else. For example, when Anita Roddick set up The Body Shop, she developed a range of environmentally friendly cosmetics in unsophisticated packaging. This would have been frowned on in a conventional cosmetics company.

III. LITERATURE REVIEW

Export-Import Bank of India, 2012 studied and documented the current situation of MSMEs and support systems setup for them in India along with select countries of Europe, Asia, Latin America etc. It studies MSMEs in the Indian as well as global context. It explains the evolution of Indian MSME policies over time. During 1948-1990 the objective was to increase employment opportunities and equitable distribution of national income, during 1991-1999 it was to make the MSMEs more competitive in the face of liberalisation and 1999 onwards the objective has been development and promotion of the sector by addressing challenges relating to credit, infrastructure, marketing and technology. It also stated the current challenges faced by the Indian MSMEs and the strategies for their Development based on past experiences of India and other countries such as China, Japan, Malaysia, Thailand, Mexico, Philippines etc . It suggests that Indian MSMEs must have access to alternative sources of capital like angel funds/risk capital etc, the existing legislatures need to be toned up to handle insolvencies and bankruptcies; the ceiling limits need to be redefined to encourage MSMEs to move up the value chain; the policies need a cluster development approach to increase the level of competitiveness; emulating Japan, Korea and Malaysia technological innovation and R&D must be encouraged among MSMEs and entrepreneurship must be encouraged via skill formation and learning mechanisms.

- Grimsholm & Poblete, 2010 conducted a detailed qualitative study of external and internal factors hampering the growth of Small and Medium Enterprises in Thailand. It reproduced quite generalized results applicable to most of the south Asian countries producing low cost, low value added and labour intensive products. Significant factors hampering growth according to the study are lack of access to finance, competition, barriers to trade, management competence, lack of skilled

labor, low investment in R&D and new technology.

- Ministry of Micro, Small and Medium enterprises, 2013 published the Inter Ministerial Committee for Accelerating Manufacturing in MSMEs' paper reporting slow down in the overall growth of MSMEs in recent years, especially post 2009. It highlighted the significance of MSMEs, changing trends in employment growth in this sector and addressed concerns regarding establishing an enterprise and running it successfully. It also recommended support systems for encouraging start ups, doing and expanding business and ease of closure and exit and also drew light on the need to do so. It also suggested changes in labour laws and gives product specific recommendation

III. RESEARCH METHODOLOGY

This study majorly focused on micro, small and medium enterprises located in industrial areas and prominent markets of New Delhi. Various manufacturers, service providers, start-ups from the food industry, IT industry and textile manufacturing industry were interviewed as a part of the study. The research began by gathering background information i.e. history, present condition and significance of micro, small and medium enterprises and basic study of the sector which was followed by deciding the research question and hypothesis. Two types of research methods most commonly used for data collection are as follows: quantitative and qualitative methods (Ghauri et al., 1995). Quantitative analysis uses data which is then converted into numbers, graphs; tables and statistics to come to a conclusion whereas qualitative methods often refer to case studies where the collection of information can be received from a few studying objects (Bryman and Bell, 2007). Qualitative methods emphasize on understanding, interpretation, observations in natural settings and closeness to data with a sort of insider view (Ghauri et al., 1995). This paper uses the qualitative approach as it is more suitable for a research like this in which the firms' internal behavior, peoples' perceptions,

beliefs, ideas and opinions need to be taken into account which are difficult to quantify (Grimsholm & Poblete, 2010)

IV. PROBLEMS

Various problems were identified in the previous section. This section will highlight the major problems faced by MSMEs and the factors affecting their growth. Finance All the companies require capital to meet their fixed as well as variable costs but most of the MSME owners lack required capital to establish and operate the firm, thus they have to resort to borrowing. 'The reliance on debt for finance depends greatly on the size of the firm. Smaller the entity greater is the reliance on debt as a primary source of finance. Micro enterprises depend on debt as a primary source for both early and growth stage while small and services primarily transact in cash and tend to keep minimal records. Manufacturing enterprises and the ones with order-driven services tend to need more finance because of longer working capital cycle and higher capital expenditure'(International Finance Corporation)

V. MARKETING

Being a small entity and having a perpetual shortage of finance, the MSMEs are unable to market their product as well as the large enterprises which works to their disadvantage. They do not focus on packaging methods or sales and advertising. Most of the firms undergo losses during first five to six years just due to lack of consumer demand. But eventually they make a place in the market based primarily on the quality of their product and contacts that they gather during business transactions.

VI. GOVERNMENT REGULATIONS

To enter the market or get registered as a Private Limited company one has to get various licenses such as Service Tax Registration, PAN Card, TAN (Tax Collection & Deduction Account Number), VAT/CST Registration, Shops & Establishment License, Central Excise License, Importer Exporter Code, Professional Tax, Employee Provident Fund Registration and ESI (Employee State Insurance) Registration, and construction permits from the Municipal Corporation, to name a few – the sewerage, fire, electricity, environmental departments. For the food industry there are other licenses such as Food Safety and Security License,

Health Care License and Police License. Not only the application process for these licenses is cumbersome but the information required to apply for them is difficult to come across too which is the reason why most of the people hire Chartered accountants and Lawyers to get registered

VII. CONCLUSION

The study concludes that Finance is a major obstacle in the growth of micro, small and medium enterprises. The lower and middle class is capable of driving itself out of poverty; it is ambitious and active in taking up new ventures and starting businesses but most ideas are being nipped in the bud because of lack of capital. Not only does it discourage aspiring entrepreneurs but also plays a huge role in holding back the growth of existing firms. In fact many other factors slowing down growth arise due to lack of finance.

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Changing Environment of Organization and Managerial Skills

Ms. Nawaz Khan

Associate Professor

Department of Humanities

Anjuman College of Engineering and Technology Nagpur, Maharashtra, India.

Email: nawazkhan888@gmail.com

Abstract - The present paper analyze that human skills have highest correlation and solely based on experience during their own working years which raises their perfection, belief and altitudes and able to create healthy organization environment. The paper aims at the spectrum of management objectives and concept of managerial skills emphasized in day to day practice of the organization. Efficiency and Effectiveness are correlated term and totally depend upon manager's ability and skills that use in at right time and ways to determine goals and adopt proper channels in reaching them. The four ways through which it can be measured are low efficiency/high effectiveness, high efficiency/high effectiveness, high efficiency/low effectiveness, low efficiency/low effectiveness .Today the managers ought to play a very vital role in their respective order to achieve set objectives and indeed promoting motivation among all working in the organization.

Keywords: managerial skills, efficiency, effectiveness, objectives, goals.

I. INTRODUCTION

Owing to globalization the changing environment all over the world is not only changing the capital structure, industrial production, market forces, but also changing the scenario of organizations particularly work force which is considered as an asset to management. Today organization are prepared to change and adapt themselves to changed conditions can survive and exist to achieve the desired organizational goal. The survival and growth of every organization in wake of such environmental changes depends on efficiency with which it manages its human resources. Every organization whether large or small deals with different task and challenges. A person who enjoys work and derives satisfaction from it can perform the task with objectives in the best possible way. The workplace is

radically changing managerial work in a varied environment. If manager is updated with changing needs of the employees and for this, he naturally has to keep himself aloof with not only the environment in which the organization exist, but of the environment from which the employees are coming to work. The manager has to work closely with existing external dynamics as well as internal dynamics and devise ways and measures to survive and progress. Managing employees or subordinates has become the integral role of managers.

II. REVIEW OF LITERATURE

Objectives of human resource planning are a part of overall corporate plan and therefore it must be integrated with it. It is to match the present and future needs of manpower. According to Sikula, "the ultimate mission or purpose is to relate human resources to future organizational needs so as to maximize the future returns on investment in human resources "(Chopde, 2012). But the most important assets that a firm must have and management must be most concerned with are the human assets of the organization. The people working in a firm make it what it is (Hicks and Gullett, 1984).Thinkers opines that , in order to build up loyal efficient and dedicated employees, organization need to pay adequate and proper attention while recruiting, selecting and training the employees (Khanka, 2005). Organizational psychologists have been studying motivation and satisfaction in the work place for some five decades. However, these phenomenons are very slow. It is found that the motivations to be relatively independent outcomes, thus different theories are required to understand them (Locke, 1970). Secondly, theories within each domain,

especially of motivation performance theories focus on limited aspect such as need (Maslow, 1970), managerial motives (Miner, 1973). Thirdly extensive research has been required to understand them (Kleinbeck, 1990). Careers will have to be interspersed with periodic training and retraining, and this may lead to the discovery that learning is more efficient when distributed over a life time than when it is basically confined to one big initial dose. For the managers who can learn to think about his job diagnostically and can follow the tread of his own reasoning into action. Motivational theories are tools that demand an intelligent manager (Gellerman, 1968). Even in a study conducted across four European countries (Hagen, 1999), nearly twice as many companies said they needed language training which act as achievement in accomplishing goals through effective strategies.

III. NEED OF MANAGERIAL SKILL

Managing employees need managerial skills in order to achieve certain objectives. Efficiency and Effectiveness are correlated term and totally depend upon manager's ability and skills that use in at right time and ways to determine goals and adopt proper channels in reaching them. The four ways through which it can be measured are low efficiency/high effectiveness, high efficiency/high effectiveness, high efficiency/low effectiveness, low efficiency/low effectiveness. But today creative and initiative skills, internal and external relations, technical and innovative skills, leadership skills, efficient and effective communication plays important role in shaping and delegating managerial skills.

1. Initiative and creativity is solely related of taking chance and facing new challenges. In fact creativity is an ability to create new ideas, solution to the problems. Creativity breeds in the mind and generate many ideas within a short period of time (Sheikh 2016 pp. 146).
2. Internal relations is vital within the organization in order to get different task accomplish. Formal, informal and mixed relation within the industry plays a very important role. Whereas external relations

maintains all relation outside the organization.

3. Technical and innovative skills are both inter related. Changing technology is based on innovation which is an act to start something. Innovative skills improve performance.
4. Leadership skills help in understanding and implementing employee engagement. Thinker's states, leaders are born but managers are created. Training helps in acquiring it.
5. Efficient and effective communication is a key to organizational success. Proper flow of communication builds the strong management.

It s clear that whenever organizational environment changes people do not accept it early, no matter how the managers deals effectively with new vision and better communication employees react in negative ways and often resist. But one thing is sure that without support and participation of highly inspired manpower organizational goals are difficult to get accomplish. Therefore the use of important skills plays a role of nutrients in changing the attitudes of the people. Moreover it helps to understand why problem is consistently prevailing, what people think and believe, their ambitions and dreams, fears, expectations, etc.

Today several theories comes to the coherent whole that motivation of human at work and his job satisfaction creates an internal relationship among employees which results to high performance.

IV. APPROACHES TO EFFICIENCY AND EFFECTIVENESS

Dealing with efficiency and ignoring effectiveness is the greatest challenge the manager face today. Efficiency is not a measure of success in organization but effectiveness is linked to organizational ability to design and accept opportunities through human relations with the workplace.

Managers have a view that they have to deal with efficiency and effectiveness in different time horizon as observed that effectiveness is long term achievement whereas efficiency is always short term.

Thus dealing with long term horizon becomes an essentiality for every manager and making workforce to understand its importance, but when comes to short term horizon managers are striving hard for the growth of organization. But in the present scenario it has been observed that the managers hardly understand these terms.

Managers should realize that dealing with efficiency and ignoring effectiveness of new development will have a strong impact on organizational belief that working less efficiently will be eliminate from the conducive environment.

Efficiency	Effectiveness
Inputs	output
Process	outcomes
	action

At present achieving high level of organizational performance is a multidimensional process. It is found that as shown in the table effectiveness comprises of the output, creativity, quality which fulfill the goals of the organization through set objectives.

Efficiency measures the inputs and how inputs are transformed into outputs. Organizational efficiency always includes the structure, culture, and the entire environment.

V. CONCLUSION

As observed it is concluded that both effectiveness and efficiency are important for the success of the organization and how it is utilized. Every managerial skill should be aware of that high effectiveness and high efficiency are very popular in attaining goals. The performance of the work force through effective planning accompanied by time management and high morale results into overall outcome.

Better communication, good human interaction with the department and outside, motivational leadership, direction is required and to be implemented to improve organization with total participation of employees in enhancing effectiveness.

Managers and managerial skills are the driving force and should have a knowledge that whatever may be the methods of measurement the survival of organization totally depends upon how effectively manager is understanding the scenario of competitive world , the changing environment and both the horizon of effectiveness and efficiency. Both are vital and interdependent but one thing is for sure that effectiveness depends on efficiency and act as indicators to organization.

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Growth & Challenges of Retail Sector: An Indian Perspective

Theme: Marketing Management

Nikhil Bangde, Assistant Professor, MBA, Tulsiramji Gaikwad-Patil College of Engineering & Technology, Nagpur-441108, Mob No: 8888841267, Email Id: nikhilbangde@gmail.com

Abstract: Indian retail industry is one of the fastest growing industries and has grown from US\$330 billion in 2007 to almost US\$640 billion by 2015 and is expected to reach to US \$ 1.3 trillion by 2018. Retailing has the major business activities in India and leading sources of employment generation in India. The transformation in the emerging Indian retail market as a consequence of frenetic pace of retail development in the last one decade has resulted in significant changes in its investment patterns and growth. The emerging global trading system, technological up gradation and long term business growth are interrelated which have strong relevance to the developing countries like India. Market of today has changed the dynamics of the businesses in retail sector.

Indian retail sector mainly divided into two parts unorganised and organised retail. Organized retail has limited market share in comparison of unorganized retail sector. In recent years, rural market of India have acquired significance, as the overall growth of the Indian economy has resulted in the substantial increase in the purchasing power of the rural communities. In fact it has been estimated that the rural markets are growing at five times the rate of urban markets, thereby offering ample opportunities to marketers. Due to continuous changes in the behaviour, taste and preferences of the consumer, and the growing economy, earning capacity and fast track life makes the emerging challenge in the retail sector of India. The purpose of this paper is to find out the growth and challenges in Indian retail industry and major problems for Indian retailers and as well as for the foreign retailers. Since efforts have been made in this paper to highlight the present status, growth, opportunities and problems of retail sector in India.

Keywords: Retailing, Organized and Unorganized sector, Rural marketing, Consumer Behaviour.

I. INTRODUCTION

Retailing is the set of activities that markets products or services to final consumers for their own personal or household use. India has witnessed a revolution in the last two decades owing to rapid urbanization and changing consumption. This has led retailers to concentrate their energies and leverage their capacities to harness the potential.

The entry of the leading corporate houses into retail created a surge into the growth of the industry. Indian retail market is the 5th largest in the world. The country gets fourth rank among the survey of 30 countries in terms of global retail development. Retailing in India is one of the pillars of its economy and accounts for about 22 percent of its GDP. According to report published by Boston Consulting Group and Retailers Association of India, Indian retail market is expected to nearly double to US\$ 1 trillion by 2020 from US\$ 600 billion in 2015, driven by income growth, urbanisation and attitudinal shifts.

Since the liberalization of the Indian economy in the 1990s, there has been a continuous change in the consumer buying behaviour. The positive consumer sentiment has led to retailers expanding to even tier II and tier III cities. Also the rural market offers a vast untapped potential, development programs in the field of agriculture and related activities such as health education, communication, rural electrification, etc have improved the lifestyles of village population. Rural India is not just witnessing an increase in its income but also in consumption and production. The market dynamics in Indian retail industry are totally different when equated with other countries and it is not easy to function in an Indian market. In the developed countries, the organised retail sector having almost 80% of the total retail industry. But in contrast, India organised retail sector having 8% of the total retail industry and this in turn indicates terrific potential for retail sector growth in India.

In 2014, larger format like as convenience stores and supermarkets had only 4 percent of the industry, and these were present only in large urban cities. India's retail industry employs close to 40 million Indians which is 3.3% of total population of India. Usually Indian retail shops are very small in

size, out of 14 million outlets situated in the country only 4% of them having larger than 500 sq ft space. India has only 11 shops outlets for each 1000 people. A majority of the unorganized retail shops in India are operated by members within family itself and on a small level, they do not have the scale to procure and transport products at high volume wholesale level. They have limited information related to quality control and fake-versus-authentic product screening technology and are also immune about training, safety, hygienic storage, packaging or logistics of the product.

II. REVIEW OF LITERATURE

According to Haritima Negi Rawat Retail industry is the most growing sector in current scenario of Indian market. It will provide more opportunities for retailers and investors in near future. The growth of the organized retail industry in the country will generate thousands of new jobs, which increases the income levels and living standards of people and make better products and services and provide a better shopping experience. Indian retail sector has opening new doors for the foreign retailers. Indian government also allowing foreign investors in retail sector which makes threat for Indian retailers.

According to Sunita sikri and Dipti wadhwa the Indian Retail sector having the fifth largest place in the world retailing sector. There are mainly two types of retail sector organized and unorganized. Indian retail industry is growing rapidly over the last few years. Though the retail market in India is mostly captured by unorganized retail sector, however with the change of taste and preferences of consumers, the organised Industry is getting more popular in these days and the share of this sector is growing.

According to Pawan kumar in the era of globalization economy has changes rapidly in which retail sector also changing from traditional or unorganised to organized retailing. Due to changing in the scenario of world's economy the retail sector attracts attention of scholars to make some efforts relating to study of opportunities and challenges. The changes in the retail sector make the contribution in the growth of GDP of the country.

On the basis of above review literature many challenges and problem comes out. Retail sector is

growing rapidly but in comparison of organised and unorganised retail sector the most of the market is captured by unorganised retailing. Organised retailing is growing but not according to expectation of the retailers.

III. OBJECTIVE OF THE STUDY

This research paper is prepared for the purpose of finding out growth and challenges of retail sector in India. At the end paper will cover each objective comfortably followed by conclusion.

IV. RESEARCH METHODOLOGY

This paper is based on secondary data and Information has been sourced from various books, trade journals, government publications, newspapers etc. and research is descriptive in nature.

V. TYPES OF RETAILING

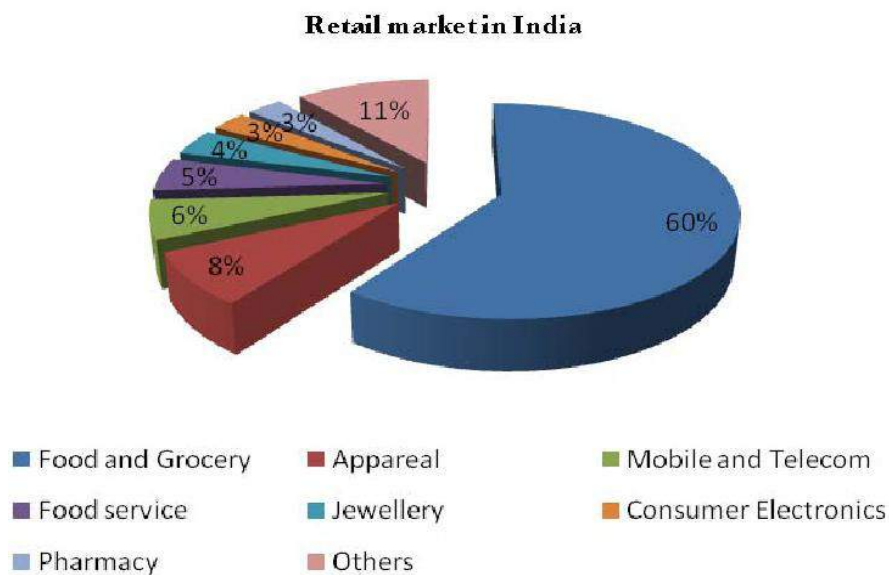
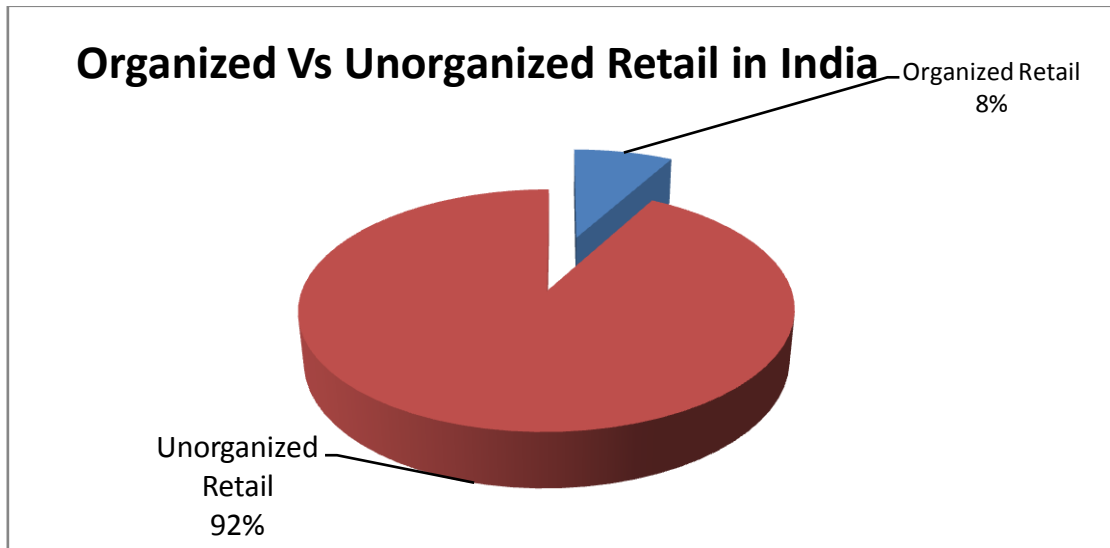
In India there are mainly two types of retailing sector one is organised and another one unorganised.

1. Organized retailing- Organized retailing refers to trading activities undertaken by licensed retailers, those who are registered for sales tax, income tax etc. These include corporate backed hypermarkets and retail chains, and also privately owned large retail businesses.
2. Unorganized retailing- Unorganized retailing refers to traditional forms of low cost retailing, for example local kirana shops, owner-operated general stores, pan/beedi shops, convenience stores, hand cart, street vendors etc. the growth of unorganized retail sector is pegged at 6 percent.

Currently India is having only 8% of organized retail sector and remaining 92% is captured by unorganized, and organized retail sector is growing much faster than traditional or unorganised retail sector. It is expected to gain a large share in the growing retail market in India. Various estimates states that the share of organized retail will increase to 20% by 2020.

The growth pattern of the organised retail sector and the consumption made by the Indian population may follow a rising trend which helps

the new business houses planning to enter the Indian retail sector. The traditional or unorganised retail industry is expected to grow at an average rate of 5% annually over the next year, while the organised retail is estimated to grow a rate of around 25% annually during the same period.



VI. Retail formats in India:

- **Hyper marts/supermarkets:** large self-servicing outlets offering products from a variety of categories.
- **Mom-and-pop stores:** they are family owned business catering to small sections; they are individually handled retail outlets and have a personal touch.
- **Departmental stores:** are general retail merchandisers offering quality products and services.
- **Convenience stores:** are located in residential areas with slightly higher prices goods due to the convenience offered.
- **Shopping malls:** the biggest form of retail in India, malls offers customers a mix of all types of products and services including entertainment and food under a single roof.
- **E-trailers:** are retailers providing online buying and selling of products and services.
- **Discount stores:** these are factory outlets that give discount on the MRP.
- **Vending:** it is a relatively new entry, in the retail sector. Here beverages, snacks and other small items can be bought via vending machine.
- **Category killers:** small specialty stores that offer a variety of categories. They are known as category killers as they focus on specific categories, such as electronics and sporting goods. This is also known as Multi Brand Outlets or MBO's.
- **Specialty stores:** are retail chains dealing in specific categories and provide deep assortment. Mumbai's Crossword Book Store and RPG's Music World are a couple of example.

VII. Challenges for Indian Retail Sector

- Retail productivity in India is very low comparison to international scenario. Total retail employment in India from organized and unorganized is 3.3% of Indian labour work force out of which mostly related to the unorganised retail sector.
- Unorganized sector in Indian retailing is still a dominant force in comparison to organised sector.
- Supply chain needs to be efficiently-managed because it has a direct impact on the company's bottom-line. Presently the Indian organised retail has an efficient supply chain but it appears efficient only

when compared with the unorganised sector. On an international level the Indian organised retailers fall short of international retailers like Wal-Mart and Carrefour in terms of efficiencies in supply chain.

- Poor roads and lack of cold chain infrastructure hampers the development of food retail in India. The existing players have to invest substantial amounts of money and time in building a cold-chain network.
- Most of the retail outlets in India are having less than 500 square feet in size.
- Many political parties in India have opposed FDI in retail sector. A political change in state and central governments can puts a lot of political risk on investment in retail sector.
- The Indian organised retail players shell out more than 7% of sales towards personnel costs. The high HR costs are essentially the costs incurred on training employees as there is a severe scarcity for skilled labour in India. The retail industry faces attrition rates as high as 50%, which is high when compared to other sectors also. Changes in career path, employee benefits offered by competitors of similar industries, flexible and better working hours and conditions contribute to the high attrition.
- Trained manpower is a challenge for the organized retail sector in India. The Indian retailers have difficulty to finding the trained manpower and also have to pay more to retain them.
- The lack of proper infrastructure and distribution channels in the country results in inefficient processes in retailing. This is a major problem for retailers as a non-efficient distribution channel is very difficult to handle and can result in huge losses for them.
- Different structure of sales tax in different states. Taxation laws that does not favor small retailers.
- The profitability of retail companies were affected severely because real estate costs constituted a major part of their operating expenses. Now companies are moving out from prominent malls of tier I & II cities and are re-negotiating the rental agreements with landlords to reduce costs.
- Retail shrinkage is the difference between the book value of stock and the actual stock or the unaccounted loss of retail goods. These losses include theft by

employees, administrative errors, shoplifting by customers or vendor fraud. According to industry estimates, nearly 3-4% of the Indian chain's turnover is lost on account of shrinkage. The organised industry players have invested IT, CCTV and antennas to overcome the problem of shrinkage.

VIII. Growth Trends in Indian Retail Industry

- Retail industry has been on a growth trend over the past few years. With the growth of economy back on track, retailers are making their expansion plans. The retail industry is expected to grow at a rate of 12% per annum for the next 5 years.
- Within retail, the emerging sectors would be food and grocery, apparel, electronics, e-commerce, fashion and lifestyle.
- Consumption patterns of Indian customers are changing.
- Increase in rural income as well as urbanization of the population
- Incorporation of technology in the organised retail segment has been something to reckon with in the past few years. Use of computers for merchandise planning and management, control of inventory costs and supplies and replenishment of goods done electronically, internal store billing, etc has changed the face of product retailing.
- Online retail business is the next gen format which has high potential for growth in the near future. After conquering physical stores, retailers are now foraying into the domain of e-retailing. The retail industry is all set to test waters over the online medium, by selling products through websites. Food and grocery stores comprises the largest chunk of the Indian retail market.
- An emerging trend in this segment is the virtual formats where customer orders are taken online through web portals which are delivered at the door step the very same day or the following day. This trend has been catching up with most of the large sized retail chains that have their websites.
- The current sign of Government to initiate Foreign Direct Investment (FDI) in various sectors is bringing a new interest to the investment climate in India and more and more foreign marketers attracting towards Indian retail market.
- Higher incomes motivating the purchase of essential and nonessential products

which contributing in the growth of the retail sector.

- Increase in easy access to credit and consumer awareness.

IX. Conclusion

The Indian retail sector has experienced high growth rate over the last decade with a visible shift towards unorganised retailing to organized retailing formats. The retailing industry is moving towards a modern concept. The size of India's retail market was estimated at US\$ 435 billion in 2010. Out of which, 92% of the market was traditional or unorganised retail and 8% of the market was organized retail. India's retail market is expected to grow at 7% over the next 10 years, reaching a size of US\$ 850 billion by 2020. Traditional retail is probable to grow at 5% and reach a size of US\$ 650 billion while organized retail is probable to grow at 25% and reach a size of US\$ 200 billion by 2020. E-commerce is expanding steadily in the country. Customers have the ever increasing choice of products at the lowest rates. E-commerce is probably creating the biggest revolution in the retail industry, and this trend would continue in the years to come. Retailers should leverage the digital retail channels (e-commerce), which would enable them to spend less money on real estate while reaching out to more customers in tier-2 and tier-3 cities. Both organised and unorganised retail companies have to work together to ensure better prospects for the overall retail industry, while generating new benefits for their customers. Nevertheless, the long-term outlook for the industry is positive, supported by rising incomes, favourable demographics, entry of foreign players, and increasing urbanisation.

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A Study on Gap between Expected and Actual service quality of organized retail store in Nagpur city, w.r.t Vishal Mega Mart

Abstract: In today's scenario companies cannot afford to loose customers because of the lack of quality in customer service. It results in loss of market share and profitability. Due to last element of distribution channel the negative impact will be more on retail sector. The retail industry being very competitive not only focuses on providing wide product lines but also emphasizes the importance of its service quality. For that a study has been made to find out various service dimensions involved in retail service sector. Consumer evaluate the quality of goods or services to make a purchase. This study assesses the gap between expected and actual service quality of retail stores in Nagpur city with reference to Vishal mega mart.

Improving service quality is believed to improve profitability and enhance retail store performance. Such improvements require monitoring and continuous measurement of performance along service dimensions that determine standards of service quality. Customers experienced significant difference between expected service quality and actual service quality of retail stores in Nagpur. The organized retailing is growing faster in the Tier I , Tier II and Tier III cities. Still the organized retail sector in India is at a very initial stage and its market share is around 4% of the total market.

Street corner kirana shops give the benefit of accessibility along with the convenience of home delivery and it also provides credit to its customers.

I. Introduction

Four dimensions of service quality:

1. **Tangibility:** the appearance of physical facilities, equipment, appearance of personnel and communication material.
2. **Reliability:** the ability to perform the promised service accurately.
3. **Responsiveness:** the willingness to help customers and provide prompt service.
4. **Assurance:** the knowledge of employees and their ability to inspire trust and confidence.
5. **Empathy:** individual attention the firm provides to its customers.

The factors which have taken into consideration are:

1. Physical Aspects: retail store appearance and store layout.
2. Personal interaction: store personnel are courteous and helpful.
3. Problem solving: store personnel are capable to handle returns and exchanges, problems and complaints.
4. Empathy: stores policy on merchandise quality, operation hours.

II. Significance of the study

This research research has lots of applied aspects. It may be useful to the companies and local shops for necessary implementation. This will also help suppliers and companies to identify gap in service delivery.

III. Objectives of the study

- To investigate the service quality related to the retail store (Vishal mega mart).
- To identify the service quality differences between the expected service and actual services of retail store.

IV. Methodology used

A questionnaire is designed to evaluate the service quality of organised retail store in Nagpur. It measures four dimensions of service quality – physical aspects, personal interaction, problem solving and empathy, to assesses the gap between the Actual and Expected service.

V. Data collection methods

Questionnaire development

The RSQS scale was applied to measure four dimensions of service quality i.e. Physical aspects, Personal interaction, Problem solving and Empathy.

A five point likert scale was used starting from “strongly disagree” to “strongly agree” was used in questionnaire and the respondents were asked to evaluate parameters on overall service quality in point scale.

The respondents were asked:

1. To express their expectations before purchase.
2. Respondents were asked to rate their experience after purchase.

The questionnaire consists of 13 statements on expectations and 13 statements on perceptions. On comparing the two aspects expectations and actual service one can identify the gap. The gap is the indicator of customer dissatisfaction.

Sample design: simple random and convenient sampling was applied. Data was collected from the customers of Vishal mega mart retail stores in Nagpur.

Sample size: a sample of 300 customers was surveyed available in these retail outlets.

Data collection: the primary data was collected from customers with the help of structured questionnaire. The secondary data was collected from various journals, magazines and websites.

Statistical tools used: the collected data were analysed using “Weighted Average” and to test the hypothesis, T-test is applied in appropriate context.

VI. Hypothesis

The current study presumed that there is no significance difference between expected and actual service quality of retail stores in Nagpur.

Then it is assumed that there is no significant difference between expected physical aspects, personal interaction, problem solving and empathy and actual physical aspects, personal interaction, problem solving and empathy.

Physical aspects

(Ho) : there is no significant difference between actual and expected physical aspects.

(H1) : there exists significant difference between actual and expected physical aspects.

Personal Interaction

(Ho) : there is no significant difference between actual and expected personal interaction aspects.

(H1) : there exists significant difference between actual and expected personal interaction.

Problem solving

(Ho) : there is no significant difference between actual and expected problem solving aspects.

(H1) : there exists significant difference between actual and expected problem solving aspects.

Empathy

(Ho) : there is no significant difference between actual and expected empathy aspects.

(H1) : there exists significant difference between actual and expected empathy aspect

	Actual customers physical aspects					
	1	2	3	4	5	
parameters	strongly disagree	disagree	neutral	agree	strongly agree	150
1 the store has modern looking equipment and fixtures	2	19	66	56	7	3.31
2 the physical facilities at the store are visually appealing	2	16	53	71	7	3.41
3 materials associated with this stores service are visually appealing	2	23	60	60	5	3.29
4 this store has clean,attractive and convenient public area	4	23	40	46	37	3.59
5 stores layout makes it easy for customers	7	19	55	59	10	3.31

	to find what they need						
6	stores layout makes it easy for customers to move around the store	28	63	45	10	4	2.33
	Expected customers physical aspects						
	parameters	strongly disagree	disagree	neutral	agree	strongly agree	150
1	the store has modern looking equipment and fixtures	5	7	50	62	26	3.65
2	the physical facilities at the store are visually appealing	6	6	50	70	18	3.59
3	material associated with this stores service are visually appealing	9	12	55	65	9	3.35
4	this store has clean,attractive and convenient public area	4	7	44	70	25	3.70
5	stores layout makes it easy for customers to find what they need	4	10	41	78	17	3.63
6	store layout make it easy for customer to move around the store	3	14	64	54	15	3.43

VII. Data Analysis and Interpretation :-

The majority of respondents would fall in the age group of 30- 45. It is a mixed batch of males and females.

Physical aspects	Expected service weighted average	Actual service weighted average	Difference in terms of weighted average
Parameters			
1 the store has modern looking equipment and fixtures	3.64	3.31	0.33
2 the physical facilities at the store are visually appealing	3.58	3.41	0.17
3 materials associated with this stores service are visually appealing	3.35	3.28	0.07
4 this store has clean,attractive and convenient public area	3.7	2.92	0.78
5 stores layout makes it easy for customers to find what they need	3.62	3.3	0.32
6 stores layout makes it easy for customers to move around the store	3.42	3.32	0.1

t-Test: Paired Two Sample for Means		
	Variable 1	Variable 2
Mean	3.556666667	3.206666667
Variance	0.01853777778	0.19888
Observations	6	6
Pearson Correlation	0.580891136	
Hypothesized Mean Difference	0	
df	5	

t Stat	2.237015063	
P(T<=t) one-tail	0.03774849773	
t Critical one-tail	2.015048342	
P(T<=t) two-tail	0.07549699546	
t Critical two-tail	2.570581835	

Table reveals that

- expected service response of customers (weighted average) is higher for statement '1' i.e 3.64 as compared to any other statement.
- Customers are not expecting much from retailers on statement '3' i.e. material

Null Hypothesis :- there is no significant difference between expected and actual physical aspects.

Alternative Hypothesis :- there exists significant difference between expected and actual physical aspects.

By applying the T-test (table -3) and

Actual customers personal interaction						
parameters	strongly disagree	disagree	neutral	agree	strongly agree	150
1 employees in this store gives prompt service to customers	2	27	84	31	5	3.04
2 employee in this store are consistently courteous with customers	2	33	80	29	6	3.02
3 Employees in this store are never too busy to respond to customers request	3	20	86	36	5	3.13
Expected customers personal interaction						
Parameters	strongly disagree	disagree	neutral	agree	strongly agree	150
1 employees in this store gives prompt service to customers	10	22	55	54	9	3.20
2 employee in this store are consistently courteous with customers	5	16	63	53	13	3.40
3 Employees in this store are never too busy to respond to customers request	5	15	70	50	10	3.30

associated with the stores service with weighted average is 3.35. also there is a minimum gap identified between actual and expected service level.

- In all the parameters, the expected waited average is higher than the actual weighted average. It means that the customers expectations are higher from the retailers and actual service quality is less.

calculating the weighted average for every parameters, the result of the experiment rejects the hypothesis.

In T-test, t-stat is greater than t-critical one tail so there is a difference exists between the two values.

Personal interactions			
parameters	expected service weighted average	actual service weighted average	Difference in terms of weighted average
1 employees in this store gives prompt service to customers	3.2	3.04	0.16
2 employee in this store are consistently courteous with customers	3.4	3.02	0.38
3 Employees in this store are never too busy to respond to customers request	3.3	3.13	0.17

t-Test: Paired Two Sample for Means		
	<i>Variable 1</i>	<i>Variable 2</i>
Mean	3.3	3.063333333
Variance	0.01	0.003433333333
Observations	3	3
Pearson Correlation	-0.1706640372	
Hypothesized Mean Difference	0	
df	2	
t Stat	3.299649828	
P(T<=t) one-tail	0.04043141455	
t Critical one-tail	2.91998558	
P(T<=t) two-tail	0.0808628291	
t Critical two-tail	4.302652729	

Above Table :-

- By calculating the weighted average of personal interaction i.e. difference between the actual and expected service we find :
- expected service response of customers (weighted average) is higher for statement '2' i.e 3.42 as compared to any other statement.
- Customers are not expecting much from retailers on statement '1' i.e. employee in the store gives prompt service with

By applying the T-test (table -3) and calculating the weighted average for every parameters, the result of the experiment rejects the hypothesis.

weighted average is 3.2. Also there is a minimum gap identified between actual and expected service level.

- In all the parameters, the expected waited average is higher than the actual weighted average. It means that the customers expectations are higher from the retailers and actual service quality is less.

Null hypothesis : there is no significant difference between actual and expected personal interaction aspect

Alternative hypothesis : there exists significant difference between actual and expected personal interaction.

In T-test t-stat (3.299) is greater than t-critical one tail (2.919) so there is a difference exists between the two value.

So we thus find out that 'there exists significant difference between the actual and expected service quality when it comes to

personal interaction from consumers point of view.

Actual customers problem solving						
	1	2	3	4	5	
parameters	strongly disagree	disagree	neutral	agree	strongly agree	150
1 when a customer has a problem the store shows sincere interest in solving it	5	22	89	32	2	3.03
2 employee of the store are able to handle customer complaints directly and immediately	1	32	87	27	3	2.99
Expected customers problem solving						
	1	2	3	4	5	
Parameters	strongly disagree	disagree	neutral	agree	strongly agree	150
1 when a customer has a problem the store shows sincere interest in solving it	8	12	67	53	10	3.30
2 employee of the store are able to handle customer complaints directly and immediately	5	15	58	62	10	3.38

problem solving capacity			
parameters	expected service weighted average	actual service weighted average	Difference in terms of weighted average
1 when a customer has a problem the store shows sincere interest in solving it	3.3	3.03	0.3
2 employee of the store are able to handle customer complaints directly and immediately	3.38	2.99	0.39

By calculating the weighted average of personal problem i.e. difference between the actual and expected service we finds that:

- expected service response of customers (weighted average) is same for both the statements.
- Both the statement shows similar type of gap in customers service and also the gap is also similar in both the statements.
- In all the parameters, the expected waited average is higher than the actual weighted average. It means that the customers

expectations are higher from the retailers and actual service quality is less.

Null Hypothesis : there is no significant difference between actual and expected problem solving aspects.

Alternative Hypothesis : there exists significant difference between actual and expected problem solving aspects.

By calculating the weighted average for every parameters, the result of the experiment rejects the hypothesis.

After calculating the weighted average we find out that there is a significant difference between the actual and expected so there is a difference exists between the values.

So we thus find out that ‘there exists significant difference between the actual and expected service quality when it comes to problem solving from the consumers point of view

Actual customers empathy						
	1	2	3	4	5	
parameters	strongly disagree	disagree	neutral	agree	strongly agree	150
1 this store offers high quality merchandise	36	62	41	6	5	2.21
2 this store gives customers individual attention	37	65	39	4	5	2.17
Expected customers empathy						
	1	2	3	4	5	
Parameters	strongly disagree	disagree	neutral	agree	strongly agree	150
1 this store offers high quality merchandise	5	23	40	49	33	3.55
2 this store gives customers individual attention	10	18	42	38	42	3.56

customers empathy			
parameters	expected service weighted average	actual service weighted average	Difference in terms of weighted average
1 this store offers high quality merchandise	3.55	2.21	1.34
2 this store gives customers individual attention	3.56	2.17	1.39

By calculating the weighted average of personal problem i.e. difference between the actual and expected service we finds that:

- expected service response of customers (weighted average) is same for both the statements.
- Both the statement shows similar type of gap in customers service and also the gap is also similar in both the statements.
- In all the parameters, the expected waited average is higher than the actual weighted average. It means that the customers expectations are higher from the retailers and actual service quality is less.

Null Hypothesis : there is no significant difference between actual and expected empathy.

Alternative Hypothesis : there exists significant difference between actual and expected empathy.

By calculating the weighted average for every parameters, the result of the experiment rejects the hypothesis.

After calculating the weighted average we find out that there is a significant difference between the actual and expected so there is a difference exists between the values. So we thus find out that ‘there exists significant difference between the actual and expected service quality when it comes to empathy from the consumers point of view.

VIII. SUGGESTIONS

Organised retail need to focus on error free transactions, handling customers complaints effectively, keeping the promises and try to fulfil them within time. Sales people must not feel that the customer is wasting his/her time and customer would be there for window shopping in case customer delays their purchasing. It is the sales persons responsibility to solve the problems of customers with patience because customers are the God and your existence depends on them. Retailers need to improve all the parameters which has mentioned in the paper but few areas are there which need more attention like-

- Employee need to be consistently courteous with customers.
- Retail stores should have clean, attractive and convenient public area.
- Sales people must take sincere interest in solving customers problem.
- Sales people should provide individual attention to customers.
- The stores should take steps to minimize the waiting time of the customers in front of the billing line.
- Employees must talk with the customers in the local language.

IX. RECOMMENDATION

- Findings can be used by organised retail stores for improvement in their strategies.
- Retailers must identify and correct their level of service on mentioned parameters.
- Retailers should provide friendly and relax environment to the customers from the view of goodwill.

X. CONCLUSIONS

The given paper helps to identify the gap between actual and expected customers service from the organised retail store in Nagpur city. Retailers must understand the importance of providing good quality to the customers with good product as well. After implementing the given research one can improve the service quality of their stores and can well compete with the other organised stores in Nagpur city.

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A Study of Challenges Faced by Industrialists in Managing Human Resources at Workplace

Prof. Snehal Khadge, Assistant Professor,

Department of MBA,

Tulsiramji Gaikwad-Patil College of Engineering and Technology, Wardha Road, Nagpur.

Mob. No.- 8888810329 Email Id- snehal.mba@tgpct.com

Abstract: Companies that desire to maintain a competitive edge, both now and in the future require human force well equipped to face the ever increasing pace of technological changes and techniques. Today, the field of Human Resource Management is experiencing numerous pressures for change. Shifts in the economy, globalization, domestic diversity, and technology have created new demands for organizations, and propelled the field in some completely new directions. Due to the fluctuating economy as well as local and global advancements, there are many changes occurring rapidly that affect HR in a wide range of issues.

Major disparities exist between various regions and institutions in individual countries, as well as between countries. The ability to understand these differences will enable HR to make more informed hiring decisions. Technological advances have a significant impact on HR business practices. Many human resource departments have the responsibility of designing codes of ethics and developing policies for ethical decision making. Organization culture is also another important element which must be considered by the HR manager, the culture must be like to shape their behaviour and beliefs to observe to what is imperative.

Thus, the primary purpose of this article is to examine some of the challenges and problems that should influence the future of HR and provide an overview of how to cope up with the challenges.

Keywords: *Competitive edge, Globalization, Domestic diversity, Disparities*

I. INTRODUCTION

The rapidly transforming business landscape means that there are currently many human resource management challenges which will continue to

evolve for years to come. Issues facing HR are expected to change dramatically in the next decades. In this paper, we have discussed about the various challenges faced by HR Managers in Contemporary Business Environment. Issues facing HR are expected to change dramatically in the next decades. Thus, HR professionals must play special roles in dealing with these changes and must develop specific competencies to support these roles. HR managers will have to accommodate employees in their virtual work locations and find ways to manage corporate culture, socialization and employee orientation. A range of challenges are faced by organizations and HRD professionals in managing and implementing effective HR T&D, particularly in the climate of globalization, and the new technological revolution begins with the importance of human capital in HRD practice, their education and technical training, and also their communication and language skills.). One has to raise the question here what should be the priorities for human resource in future? Though we believe that human plays a vital role in an organization but due to rapidly transforming business landscape, globalization, changing nature of consumer taste and habits, a new techniques of production, HR managers are facing a variety of issues and

challenges like retention of the employees, multicultural work force, retrenchment of the employees. Armstrong (2004) defined Human Resource Management (HRM) as the function within an organization that focuses on recruitment of management of, and providing direction for the people who work in the organization. Human resource manager will have to build or develop a frame work that allows flexibility to develop a workforce for tomorrow.

A range of challenges are faced by organizations and HRD professionals in managing and implementing effective HR T&D, particularly in the climate of globalization, and the new technological revolution begins with the importance of human capital in HRD practice, their education and technical training, and also their communication and language skills. Today, the field of Human Resource Management (HR) is experiencing numerous pressures for change. Shifts in the economy, globalization, domestic diversity, and technology have created new demands for organizations, and propelled the field in some completely new directions. However, we believe that these challenges also create numerous opportunities for HR and organizations as a whole.

The modern business cannot effectively operate in the business world if the human force not well equipped with the latest technology and techniques. This is the responsibility of the human force manager to properly train the work force and to see what is the basic need for the human force to achieve the competitive advantages of business in 21st century. Great debates on this topic going on for several years and no doubts human is an important part of any organization but due to rapid changes in the business world, globalization, change in customer taste and habits, new techniques of production, human in the organization now facing different kind of problems, to cope this situation the today's HR manager also

facing a variety of issues and challenges that how they can best manage and solve all these issues and challenges with splendid ways. HR manager facing a variety of challenges to meet these challenges for the future, tomorrow HR manager or department must be much sophisticated than their predecessors (Byers and Rue, 2006).

II. OBJECTIVE

The main objective of the study was to investigate the challenges faced by the HR managers in managing the workforce and the ways to cope up with those challenges.

III. REVIEW OF LITERATURE

The world federation of personnel management association (WFPMA, 2009) survey pointed out the most important top ten HR challenges are leadership development, organizational effectiveness, change management, compensation, health and safety, staff retention, learning and development, succession planning, staffing: recruitment and skill labour. In the view point of Decenzo and Robins (2001) the most important challenges of HRM, are technology, E commerce, and work force diversity, and globalization, ethical consideration of the organization which may directly or indirectly affect the organization competitive advantages, especially with technological advancement the affect on recruitment, training and development and job performance with great extent can be study in organization.

Liz Weber (2009) has pointed out that the most important challenges of the HR in business are layoffs. The most of the owners and managers facing this hard issue. This laid off may be due to several reasons which include the economic uncertainty, the employee's job instability and HR less Effectiveness.

Some of the researchers also point out that the most of the challenges which facing by the HR in 21ST century are also, retention of the employees, multicultural work force, women work force, retrenchment of the employees, change in the demand of the government, technology , globalization, and initiating the process of change.

IV. RESEARCH METHODOLOGY

This paper is based on secondary data and Information has been sourced from various books, trade journals, government publications, newspapers etc. and research is descriptive in nature. The research strategy used is qualitative. Unit of analysis for this study is “individuals”.

V. CHALLENGES FACED IN MANAGING HUMAN RESOURCES

1. Globalization

Globalization refers to the amalgamation of economics and societies around the world which means that world trade and financial markets are becoming more integrated. Growing internationalization of business has its impact on HRM in terms of problems of unfamiliar laws, languages, practices, competitions, attitudes, management styles, work ethics etc. (Srivastava & Agarwal). Globalization has an effect on employment patterns worldwide. It has contributed to a great deal of outsourcing which is one of the greatest organizational and industry structure shifts that change the way business operates (Drucker, 1998). Globalization is also seen as changing organizational structures where expenses can move up or down as the business climate dictates (Garr, 2001). As a result HR managers have to confront with more heterogeneous functions and more involvement in employee's personal life.

2. Technological advances

Technological advances have a significant impact on HR business practices. Due to the advancements

in the technology there has been a drastic change in the approach to the various projects and the scenarios that guide to the organizational regulations. New technologies have decimated many lower-end jobs with frustrating regularity. The increased automation also has reduced the employee head counts everywhere. The pressure of remaining cost-effective in every aspect has also compelled many a firm to go lean, and thereby cutting down extra fat at each and every managerial level (Anurag, 2011). Managing the expectations of knowledge workers is also going to be a major area of concern for all HR managers in the years ahead.

3. Workforce Diversity

Diversity by definition for the business world means having a workforce that represents many different viewpoints, backgrounds and cultures. Diversity affects all areas of organizations from recruitment to compensation, to the affect it has on the corporate culture, morale and competitiveness. Diversity in the workplace is an increasingly topical theme in management. Diversity within HRM, termed as workforce diversity, is a multifaceted phenomenon that can be defined as any visible or invisible difference between organisational members. Diversity can be labelled into two distinct aspects: observable differences (e.g. nationality, age) and underlying differences (e.g. values, sexual orientation). Workforce diversity becomes a particular issue in HRM as it has legal, moral and business implications for an organization.

With the fusion of talents of diverse cultural backgrounds, genders, ages and lifestyles, an organization can respond to business prospects more vividly and creatively, especially in the global arena, which must be one of the main organizational goals to be attained.

4. Changes in political and legal environment

If there are Changes in political and legal environment, then almost all aspects of HRM will be affected by the legal and regulatory environment. The key drivers of a political climate include the extent of external regulations, nature of work contracts, various labour legislations and case laws etc. Such factors remain ever changing, and as such, the political atmosphere of human resource management remains in a constant change of flux. It is the duty of human resource and industrial relations executives to anticipate the changes and fully examine the implication, of these changes and brings about necessary adjustment within the organization so that they can face any changes without any breakdown in its normal functioning.

5. Changes in the Economic Environment

In an economic situation companies suffer both internal and external pressures. The external competitive pressure stemming from the economic crisis produces a drop in demand and an increase in unemployment, which in turn affects the global competition in the market. On the other hand the internal management of the company focuses on efficiency. This leads to pressure to reduce costs and fringe expenditure, as well as to the need to justify the need for each and the total amount of all expenditure to be incurred. High unemployment and layoffs are clearly HRM and managerial issues. Without a doubt, these matters influence the strategic HR function. In an inflationary economy, the resources tend to become scarce and the costs of machine, materials and labour multiply. These push up the capital and running costs.

6. Ethics

While considering the challenges of human resources there is a need to discuss about ethics. The discussion about ethics happened during mid 2000s when several companies were found to have engaged in gross unethical and illegal conduct, resulting in the loss of billions of dollars from

shareholders. Companies are seeing the value of implementing ethics codes within the business. Many human resource departments have the responsibility of designing codes of ethics and developing policies for ethical decision making. Developing policies, monitoring behaviour, and informing people of ethics are necessary to ensure a fair and legal business.

7. E commerce

Electronic commerce means to perform the trading activities through internet. Internet is the foundation for a new business order. It has changed customer's expectations about convenience, speed, price and services. The people who make on-line business possible are the knowledgeable workers. Now such on-line business has become a challenge for HRM and the HR Managers makes several strategies to take procedure over control on-line business. Such HR Managers try hire & develop human resources who have the ability to attract, motivate, retain, and to serve as maximum customers as possible.

V. WAYS TO COPE UP WITH THE CHALLENGES

In the present era most of the organizations are competing globally for their best reputation, by keeping in view the above issues and challenges the HR managers are responsible to train all the young workers, to provide them best rewards as a result they will show their commitment and loyalty.

1. Technology has changed each and everything with great extent, the methods of production, the process of recruitment, the training techniques, new equipment and technology should be introduced and purchase by the organization and training should be provided to young and educated workers.

2. To cope up with the issue of Globalization HR manager should adopt the concept of Globalize Human Resource Management (GHRM) where it

prepares the skill people or manager worldwide. This way the trend of globalization can be minimized with some extent.

3. Human resource manager should develop such a HR system which consistent with other organization elements such as organization strategies, goals and organization style, and organization planning.

4. Regarding the debate on work force diversity, the HR manager accountable to make such a broad strategies which help to adjust employees in global organization, HR must increase the ability to compete in the international market.

5. Organization culture is also another important element which must be consider by the HR manager, the culture must be like to shape their behaviour and beliefs to observe to what is imperative.

6. To provide more and more talent people into the organization the HR manager must re-decide and re-arrange the staffing functions, for recruitment selection, training and transfer, promotion, dismissals, placement, demotion and layoffs of the employees separate strategies should be developed and implemented.

7. In the present era most of the organizations are competing globally for their best reputation, by keeping in view the above issues and challenges the HR mangers are responsible to train all the young workers, to provide them best rewards as a result they will show their commitment and loyalty.

8. Technology has changed each and everything with great extent, the methods of production, the process of recruitment, the training techniques, new equipment and technology should be introduced and purchase by the organization and training should be provided to young and educated workers.

9. Keeping in mind by HR manager the issue of Globalization, to cope this issue the concept of Globalize Human Resource Management (GHRM) should be implemented to prepare the skill people or manager worldwide. This way the trend of globalization can be minimized with some extent.

10. Human resource manager should develop such a HR system which consistent with other organization elements such as organization strategies, goals and organization style, and organization planning.

11. One of the great debate also going on work force diversity, the HR manager responsible to make such a broad strategies which help to adjust employees in global organization, HR must develop the ability to compete in the international market.

12. Organization culture is also another important element which must be consider by the HR manager, the culture must be like to shape their behaviour and beliefs to observe to what is imperative.

13. To provide more and more talent people into the organization the HR manager must re-decide and re-arrange the staffing functions, for recruitment selection, training and transfer, promotion, dismissals, placement, demotion and layoffs of the employees separate strategies should be developed and implemented.

VI. CONCLUSION

The challenge does not stop with recruiting the right person but with how we are going to manage the performance of our employees. Would be to create a performance culture where in opportunities are provided for enhanced performance and where giving out optimum performance becomes a way of life. The future role of HR professional will change from a less administrative role to more of a strategic role. Nutshell when HR works

enthusiastically by keeping all the practices in mind, competitive advantages can thus be accomplished, the value of human resource can be improved, organization efficiency can be enhanced, and the organization will sustain to survive.

VI. SUGGESTIONS

The foremost work by the HR is to develop sound organizational structure with strong interpersonal skill to employees. Training employees by familiarize them with the concept of globalize human resource management to perform better in the global organization context. By enthusiastically following all the above aspects the value of human resource can be improved, organization efficiency can be enhanced, and the organization will sustain to survive.

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Impact of Management Information System on Farmers in Nagpur District

Vilas N. Hajare
Assistant Professor,
Tirpude Institute of Management Education,
Nagpur (M.S.)
9822944215
v.hazare@tirpude.edu.in
(Author)

Dr. Kishore V. Ghormade
Associate Professor,
Arts, Commerce and Science College ,
Koradi, Nagpur (M..S.)
9822946011
v.ghormade@gmail.com
(Co-Author1)

Abstract: It is observed that most of the farmers live in villages in Nagpur district. There is a need of a system, which can provide quick and updated agricultural product selling and purchasing information system for handling voluminous data, quick search and retrieval, to satisfactorily fulfill requirement of farmers for effective decision-making. MIS uses computers and communication technology to deal with these problems.

However most of the required agricultural information is not in easy access to the farmers. Therefore, application of ICT-based agriculture information support systems is very much important for the dissemination of agricultural information and technological knowhow by rural farming community.

1. INTRODUCTION

1.1 Management Information System in Agriculture

Information is a *critical resource* in the operation and management of organizations. Timely availability of relevant information is vital for effective performance of managerial functions such as planning, organizing, leading, and control. An information system in an organization is like the nervous system in the human body: it is the link that connects all the organization's components together and provides for better operation and survival in a

The information must be based on farmers' needs, internet used as a mode to transfer the advanced agricultural information to the farming community. MIS provides information about Weather forecasting, fertilizers, purchase and sales Market information systems , government subsidy and accurate technical and management information's.

The study focuses upon establishing the relationship among MIS for farmers & its impact on farmers producing food grains in Nagpur District.

Keywords: MIS, Farmer, Communication, Agriculture, Information system.

competitive environment. Indeed, today's organizations run on information.

The term *information system* usually refers to a computer-based system, one that is designed to support the operations, management, and decision functions of an organization. Information systems in organizations thus provide information support for decision makers. Information systems encompass transaction processing systems, management information systems, decision support systems, and strategic information systems.

Information consists of data that have been processed and are meaningful to a user. A system is a set of components that operate together to achieve a

common purpose. Thus a management information system collects, transmits, processes, and stores data on an organization's resources, programmes, and accomplishments. The system makes possible the conversion of these data into management information for use by decision makers within the organization. A management information system, therefore, produces information that supports the management functions of an organization.

The main purpose of management information systems is to provide management information to decision makers at various levels in the organization.

1.2 Classification of Management Information Systems

There are various types of management information systems. Mason and Swanson describe four categories of management information systems. The classification is based on the level of support that the information system provides in the process of decision making.

1.2.1. Databank Information System

The responsibility of this information system is to observe, classify, and store any item of data which might be potentially useful to the decision maker. Examples of the kind of data that might be recorded in such a database for a given village, region, or area etc.

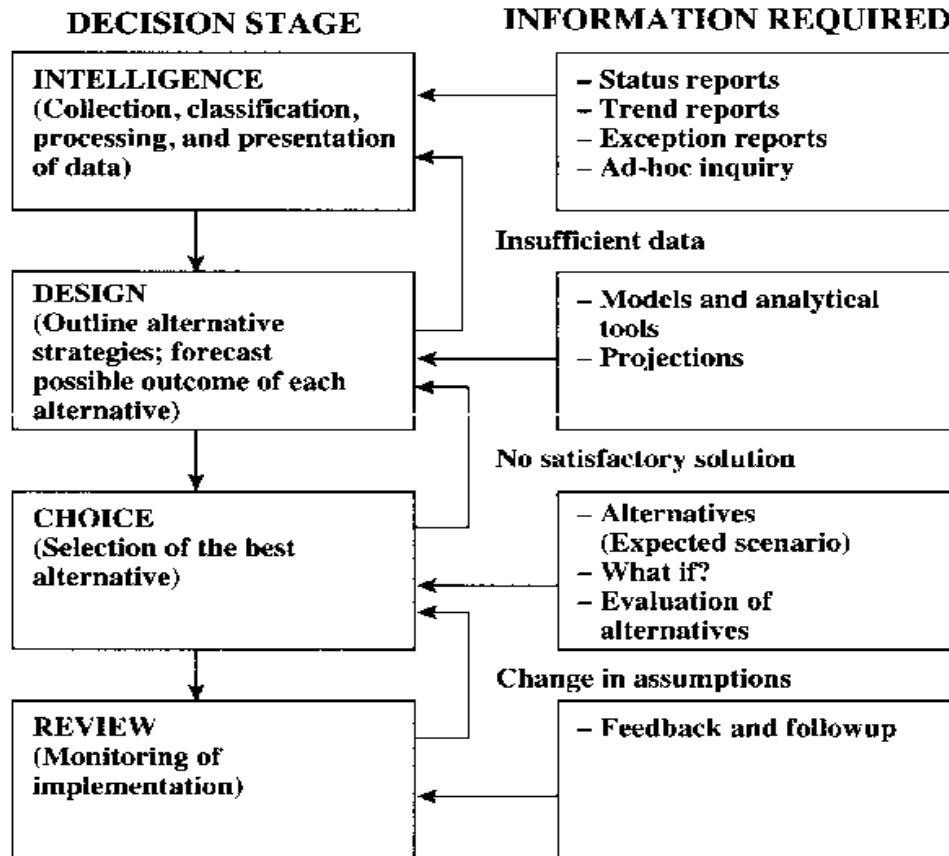


Figure 1.1 Role of information in the decision process.

1.2.2. Predictive Information System

This system moves beyond pure data collection and the determination of trends over time. Predictive information systems provide for the drawing of

inferences and predictions that are relevant to decision making.

1.2.3. Decision-Making Information System.

This system goes one step further in the process of decision making and incorporates the value system of the organization or its criteria for choosing among alternatives. An extension organization's values are many and varied. They include concerns for resolving farmer problems, increasing and providing for stability of farmer incomes, and improving the quality of farm life. But they also including and providing for stability of farmer incomes, and improving the quality of farm life. Extension organization uses information from a decision-making information system are as follows:

- a. Change in specific farm outputs (yields, practices) following selected extension activities
- b. Comparison of relative costs and relative effectiveness of alternative extension delivery methods
- c. Analysis of economic returns to farmers who adopt recommended practices as compared to those who do not

1.5.4. Decision-Taking Information System.

This is a decision system in which the information system and the decision maker are one and the same.

Management is so confident in the assumptions incorporated in the system that it basically relegates its power to initiate action to the system itself.

The choice of an appropriate management information system (MIS) category primarily depends on the nature of the decisions it supports.

1.6 Computer based MIS:

In India, agriculture is a state subject under the division of powers between the national and the state levels. Nevertheless, the national government supplements the financial resources of the states and provides coordination at the national level. The state's administrative machinery is divided into districts, districts into subdivisions, subdivisions into blocks. A block is a group of villages and the basic unit for the administration of an agricultural extension programme. Data collected at the block level need to be integrated at higher administrative levels to provide an integrated view at the district and state levels to support planning, monitoring, and decision making.

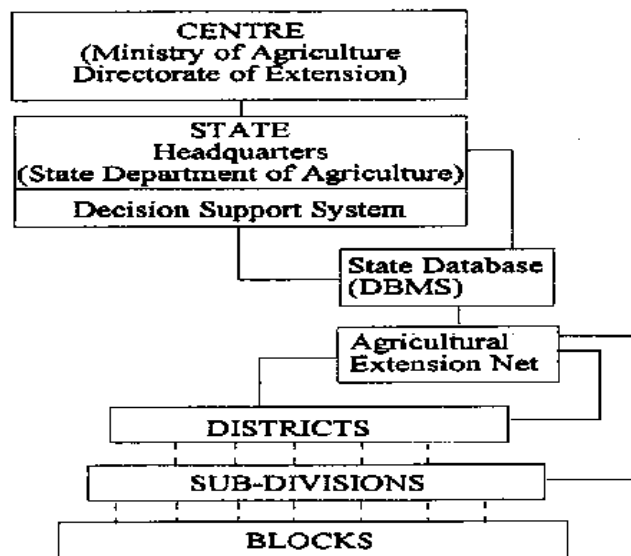


Figure 1.2 : A typical MIS for a National Extension System.

1.7 Need for the information to farmers

The main focus of ICT in agriculture is meeting the farmers' needs for information. It is given as follow:-

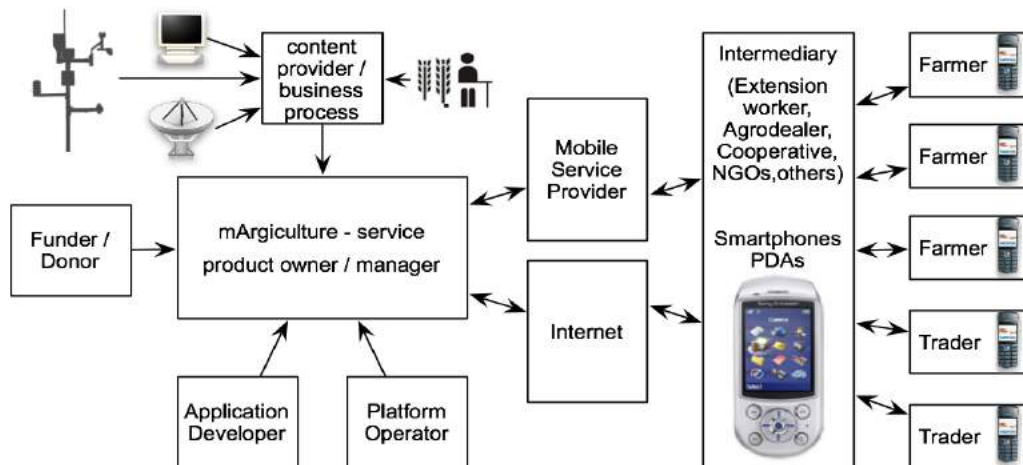
- Agricultural news
- Marketing Information's
- Accessing of various land records/online registration facilities
- Farm business and management information
- Seeds , fertilizers and other information
- Problems solving online services
- Crop insurance Information
- Information about rural development programmes and subsidies
- Weather forecasting

- **eThibak**
- **eParwana:**
- **CROPSAP**
- **Agriculture Census**
- **Kisaan SMS Service**

1.8 Agriculture MIS Software:

The IT project section, in coordination with NIC (Govt. Of India), has launched several important software applications for supporting farmers. Some software's are :

- **Rainfall Recording & Analysis:**



1.8.1 mAgriculture

mAgriculture is a subset of eAgriculture, referring to the delivery of agriculture - related services via mobile communications technology. Mobile communication technology includes all kinds of portable devices like basic mobile phones, smartphones, PDAs or tablet devices (e.g. iPad) mAgriculture can also involve gathering relevant data through mobile technologies like automated weather stations (AWS) or systems and sensors for location-based collection.

1.8.2 Challenges of ICT in Agriculture

There is no doubt that ICT is challenge and an opportunity for developing countries. In agriculture the main problem is of poverty, illiteracy, nuclear family culture, poor financial condition. Sharing information among developing countries is poor communication technology, slow connectivity, less bandwidth, lack of infrastructures, poor electricity and limited access in developing world. The shortages of information were also a factor in restricting economic advancement for developing

countries. Especially agriculture sector is facing many problems to obtain new information about market price, weather updates and other related issues. Furthermore, ICT infrastructure could develop by taking the advantage of existing infrastructures by which farmers not only increases the acceptability of the new technology similarly it minimizes the costs of the technology and makes it affordable by the farmer communities. It is found that ICT initiatives were scattered and uncoordinated and summarized the main challenges and factors that influence the use of ICTs as: high cost of available technologies, inadequate infrastructure and low ICT skills, poor

and expensive connectivity, inappropriate ICT policies, language barriers, slow speed, low bandwidth, inadequate and/or inappropriate credit facilities and systems. Moreover, it is also identified poor involvement of women and other disadvantaged groups, inappropriate local content, weak institutions and inadequate collaboration and awareness of existing ICT facilities and resources, a poor information sharing culture and low awareness of the role of ICTs in development at all levels. ICT come

II. LITERATURE REVIEW

The present study covers related studies on different aspects of agricultural and farm information systems and services. Various primary and secondary sources, both published and unpublished have been examined for this research work. A select list of important works; published and unpublished consulted or made use for this study is given in the bibliography at the end. Different aspects studied by earlier researchers are reviewed here.

Agricultural information is an important factor that interacts with other production factors. Productivity of these other factors, such as land, labor, capital and managerial ability, can arguably be improved by relevant, reliable and useful information. Information supplied by extension, research, education and agricultural organizations helps farmers make better decisions. Therefore, there is a need to understand the functioning of a particular agricultural information system in order to manage and improve it (Demiryurek et al., 2008).

Therefore, it is a current need to investigate that the proper information delivery systems for agriculture sector and people that are involving in agriculture. However, there have been limited studies about the agricultural information systems.

Thus, there is a need for substantial information about these issues, including the mechanisms of the information systems, interactions between components in the system, and their activity. Specifically, the information requirements of farmers, the structure of the organizations involved in these activities are issues that need to be explored (Demiryurek et al., 2008).

with a range of challenges including: technological dependence; lack of accessible telecommunication infrastructure in many rural and remote areas; capital cost of technologies, high cost of on-going access and support; inherent need for capacity building; often difficulty in integrating with existing media, and local communication methods and traditions; and, often lack of involvement of all stakeholders in planning, especially youth.

Recently, there have been some studies on the use of the digital information systems and technologies in the agricultural and food sectors. Šilerová and Lang (2006) discussed the usage of the information systems and the expansion of the portals in the rural sector. The development of the information systems and its implementation with the portal solutions enable a web access to the information and the effective management and administration (Šilerová and Kučirková, 2008). Similarly, Kučera and Látečková (2006) pointed out the importance of information systems concerning the solutions by the computer software and the expertise systems in agriculture and food sectors.

III. RESEARCH METHODOLOGY

This study primarily deals with impact of Management Information System on farmers in context with good grains in Nagpur District . In this study, the researcher has taken responses from 485 Farmers of Nagpur District. This study primarily highlights about impact of MIS related to increasing the food grain production, effectiveness of MIS on decision-making ability of a farmer, information flow from Government to farmers and checks the feedback of Farmers on the MIS on their crop.

IV. OBJECTIVES OF THE STUDY

Main *objectives* of the research are:

- To study various software available to provide MIS for farmers
- To study the impact of MIS related to increasing the food grain production.
- To study effectiveness of MIS on decision-making ability of a farmer.

- To study the information flow from MIS destination to farmer.
- To study the problems and challenges face by the farmers.

V. HYPOTHESIS

Hypothesis for the study is given as under:

1. Information system can be used to improve the decision-making ability of a farmer.

VI. DATA COLLECTION

In the present study, Primary Data is collected from different farmers of the Nagpur District. We have used Questionnaire (Interview for illiterate farmers) designed in local language (deonagari) as well as in English, where the data is collected form 485 farmers of Nagpur District. A simple random sampling is used as per the availability of the data.

Secondary data is collected from sources like journals, magazines, publications, websites of different government agencies, TV programs and other literature available as per requirements.

VII. LIMITATIONS OF THE STUDY

1. The universe of study is limited to Nagpur District. It may not be the exact representation of the globe.
2. Sample size is restricted to 485 respondents. This limits the study to one particular region.

VIII. DATA ANALYSIS

The statistical tools and Analysis :

1. The 5 point Likert's scale is used to collect the responses where every Likert's item is provided the given weights: 1-Strongly agree, 2-Agree, 3-Neither agree nor disagree , 4- Disagree and 5-Strongly disagree.

2. Cronbach's alpha reliability test as to check the internal consistency of items under consideration of a subject.

$$\alpha = \frac{k}{k-1} \left(1 - \frac{\sum_{i=1}^k \sigma_{Y_i}^2}{\sigma_X^2} \right)$$

Where : K= number of different items administered to each subject.

$\sigma_{Y_i}^2$ = Variance of different items administered to each subject.

σ_X^2 = Variance of total raw scores of each sample respondent.

3. Measure of Dispersion mainly Standard Deviation as to identify the internal variability in each item.
4. Skewness which determine the asymmetrical distribution.
5. Z statistics right tail test for a large sample i.e..

Table 8.1 H1: Information system can be used to improve the decision-making ability of a farmer.

Q.no.	Factor	1. Strongly Agree	2. Agree	3. Neither	4. Dis- Agree	5. Strongly Disagree	Total	Mean	Median	Mo de	SD
21	Freq.	199	235	23	19	9	485	1.77	2	2	0.85
	%age	41.03	48.45	4.74	3.92	1.86	100.00				

22	Freq.	69	72	59	154	131	485	3.42	3	4	1.39
	%age	14.23	14.85	12.16	31.75	27.01	100.00				
23	Freq.	75	90	52	139	129	485	3.32	3	4	1.43
	%age	15.46	18.56	10.72	28.66	26.60	100.00				
24	Freq.	214	231	19	12	9	485	1.70	2	2	0.81
	%age	44.12	47.63	3.92	2.47	1.86	100.00				
25	Freq.	194	244	22	12	13	485	1.78	2	2	0.86
	%age	40.00	50.31	4.54	2.47	2.68	100.00				
26	Freq.	144	186	55	66	34	485	2.30	2	2	1.22
	%age	29.69	38.35	11.34	13.61	7.01	100.00				
27	Freq.	209	234	18	11	13	485	1.73	2	2	0.85
	%age	43.09	48.25	3.71	2.27	2.68	100.00				
28	Freq.	122	165	54	82	62	485	2.58	2	2	1.36
	%age	25.15	34.02	11.13	16.91	12.78	100.00				
29	Freq.	142	175	62	58	48	485	2.37	2	2	1.29
	%age	29.28	36.08	12.78	11.96	9.90	100.00				
30	Freq.	151	166	57	61	50	485	2.37	2	2	1.31
	%age	31.13	34.23	11.75	12.58	10.31	100.00				
31	Freq.	213	234	15	13	10	485	1.71	2	2	0.82
	%age	43.92	48.25	3.09	2.68	2.06	100.00				
32	Freq.	161	141	63	72	48	485	2.39	2	1	1.34

	%age	33.20	29.07	12.99	14.85	9.90	100.00				
33	Freq.	84	89	35	139	138	485	3.33	3	4	1.48
	%age	17.32	18.35	7.22	28.66	28.45	100.00				
34	Freq.	142	156	67	68	52	485	2.45	2	2	1.33
	%age	29.28	32.16	13.81	14.02	10.72	100.00				
35	Freq.	132	171	62	57	63	485	2.48	2	2	1.34
	%age	27.22	35.26	12.78	11.75	12.99	100.00				
36	Freq.	205	253	14	8	5	485	1.67	2	2	0.71
	%age	42.27	52.16	2.89	1.65	1.03	100.00				
37	Freq.	187	195	54	37	12	485	1.95	2	2	1.01
	%age	38.56	40.21	11.13	7.63	2.47	100.00				
38	Freq.	136	196	52	53	48	485	2.34	2	2	1.26
	%age	28.04	40.41	10.72	10.93	9.90	100.00				
39	Freq.	209	243	13	12	8	485	1.69	2	2	0.78
	%age	43.09	50.10	2.68	2.47	1.65	100.00				
40	Freq.	214	245	11	9	6	485	1.66	2	2	0.73
	%age	44.12	50.52	2.27	1.86	1.24	100.00	\bar{x}			$\sigma=s$
Overall	Freq.	3202	3721	807	1082	888	9700	2.25	2	2	1.27
	%age	33.01	38.36	8.32	11.15	9.15	100.00	Overall percentage is about 71.37%			

Source : Primary Data (Descriptive statistics for H2)

Testing the hypothesis using Z statistics:

Decision Rule : Since two tail test, if $-Z_{tab} < Z_{cal} < Z_{tab}$ we accept Null Hypothesis at 5% level of significance , otherwise reject Null Hypothesis and accept Alternative Hypothesis.

Secondly if Alternative Hypothesis is accepted then on the basis of sample mean we can determine the influence of either improvement (if $\bar{x} < 3$) or lower (if $\bar{x} > 3$) the effectiveness of sales and purchase management in agribusiness.

Given data :

Number of respondents $m=485$, Number of factors under consideration $k =20$, sample size $n=m*k =9700$, sample mean $\bar{x}= 2.25$, population mean $\mu = 2$, std. deviation $\sigma =1.27$.

Z statistics is defined as

$$Z_{cal} = \frac{\bar{x}-\mu}{\sigma/\sqrt{n}} = -58.16, \text{ where } n \geq 30 \text{ Large sample right tail test.}$$

$Z_{tab} = \pm 1.96$ at 5% level of significance.

Interpretation : Since two tail test, $Z_{cal} < -Z_{tab}$ we reject Null Hypothesis at 5% level of significance and accept the alternative Hypothesis H_{21} , which is obvious for 1% and 10% level of significance.

On the basis of sample mean since $\bar{x}= 2.25$ i.e $\bar{x} < 3$, indicates that some positive believe of information system to improve the decision making ability of a famer.

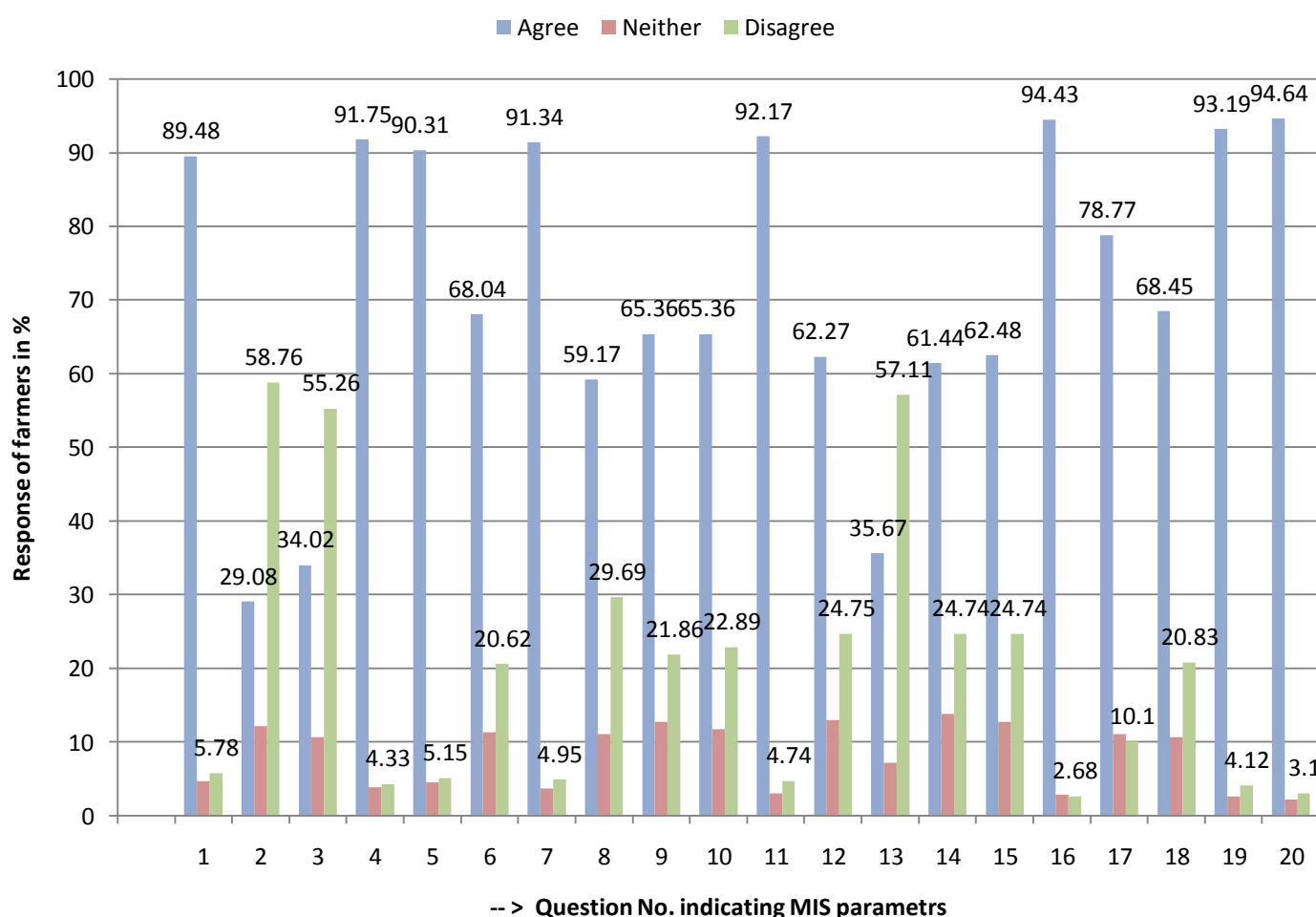
X. DATA INTERPRETATIONS AND FINDINGS

Table 10.1 Effectiveness of MIS on decision making ability of farmers

Q.No.	MIS Parameters	Agree	Neither	Disagree
1	Information supplied by extension helps me make better decisions.	89.48	4.74	5.78
2	Information supplied by research helps me make better decisions.	29.08	12.16	58.76
3	Information supplied by edu. helps me make better decisions.	34.02	10.72	55.26
4	Information supplied by agricultural organizations helps me make better decisions.	91.75	3.92	4.33
5	MIS helps me in raising agricultural productivity	90.31	4.54	5.15
6	MIS helps me in Achieving sustainable agri. development	68.04	11.34	20.62
7	MIS helps me in enhancing my knowledge about agri. prod .	91.34	3.71	4.95
8	I consider information as an essential input to my agricultural education	59.17	11.13	29.69
9	Decision making is more complex when Proper MIS is not available	65.36	12.78	21.86
10	MIS provides details about implementation mechanism of various subsidies provided by government to the farmers	65.36	11.75	22.89
11	Historical data & future prediction helps me to decide my crop	92.17	3.09	4.74
12	I am becoming more aware about cust. demand due to MIS	62.27	12.99	24.75

13	My future plans for farming improvement depends upon MIS	35.67	7.22	57.11
14	ICRA is making successful efforts for providing proper MIS	61.44	13.81	24.74
15	With MIS I know where to get certified seed	62.48	12.78	24.74
16	With MIS, I know the most appropriate varieties for a given location	94.43	2.89	2.68
17	With MIS, I Know about housing and management of livestock	78.77	11.13	10.1
18	MIS is providing complete information about agricultural credit	68.45	10.72	20.83
19	Modern farm inputs like fertilizers, improved variety of seeds and seedlings, feeds, plant protection chemicals, agricultural machinery, and equipment and water, are needed to raise small farm productivity	93.19	2.68	4.12
20	I am receiving information from both formal & informal sources.	94.64	2.27	3.1
	Overall	71.37	8.32	20.3

Graph 10.1 : Effectiveness of MIS on decision-making ability of a farmer



XI. INTERPRETATION AND FINDINGS:

Almost 89% of farmers believe that information supplied by extension helps them to make better decisions. However 11 % farmers are not agreeing that Information supplied by extension helps farmers to make better decisions. In this case 11 % population is dissatisfied. Precise information should be provided by the extensions so that the remaining farmers will be satisfied.

Almost 29% of farmers believe that information supplied by research helps them to make better decisions. However 71 % farmers are not agreeing that Information supplied by research helps farmers to make better decisions. In this case 71 % is a huge population who are dissatisfied. Research work should be carried out precisely and accurately so as provide proper information to the farmers.

Almost 33% of farmers believe that information supplied by education helps them to make better decisions. However 67 % farmers are not agreeing that information supplied by education helps farmers make better decisions .In this case 67 % is a huge population who are dissatisfied. Apart from educations proper training should be provide.

Almost 92% of farmers believe that information supplied by agricultural organizations helps them to make better decisions. Only 8 % farmers are not agreeing that information supplied by agricultural organizations helps farmers to make better decisions. In this case only 8 % population is dissatisfied. Agricultural organizations should try to fill this gap by specifically targeting the needs of the unsatisfied farmers.

Almost 90% of farmers believe that MIS helps them in raising agricultural productivity. Only 10 % farmers are not agreeing that MIS helps farmers in raising agricultural productivity. In this case only 10 % population is dissatisfied; MIS is performing well in this case. MIS should provide more ways to raise the agricultural productive in most effective manner which will help all farmers.

Almost 68% of farmers believe that MIS helps them in achieving sustainable agricultural development. However 32 % farmers are not agreeing that MIS helps farmers in achieving sustainable agricultural development .In this case 32 % is a huge population who are dissatisfied. MIS systems should work on providing ways which will help farmers in achieving sustainable agricultural development.

Almost 91% of farmers believe that MIS helps them in enhancing their knowledge about agricultural production. Only 9 % farmers are not agreeing that MIS helps farmers in enhancing their knowledge about agricultural pro-production. In this case only 9 % population is dissatisfied; MIS is performing well in this case. MIS should provide more ways to helps farmers in enhancing their knowledge about agricultural pro-production.

Almost 59% of farmers believe that information as an essential input to their agricultural education. However 41% farmers are not agreeing that farmers consider information as an essential input to their agricultural education. In this case 41 % is a huge population who are dissatisfied. As most of the farmers rely on traditional ways, techniques & beliefs they should be convinced about MIS system that the information provided by MIS systems will help them.

Almost 65% of farmers believe that decision making is more complex when Proper MIS is not available. However 35% farmers are not agreeing that decision making is more complex when Proper MIS is not available. In this case 35 % is a huge population who are dissatisfied. Looking at the needs of the farmers MIS should be made available to them.

Almost 65% of farmers believe that MIS provides details about implementation mechanism of various subsidies provided by government to them. However 35 % farmers are not agreeing that MIS provides details about implementation mechanism of various subsidies provided by government to the farmer .In this case 35 % is a huge population who are dissatisfied. MIS should provide accurate details

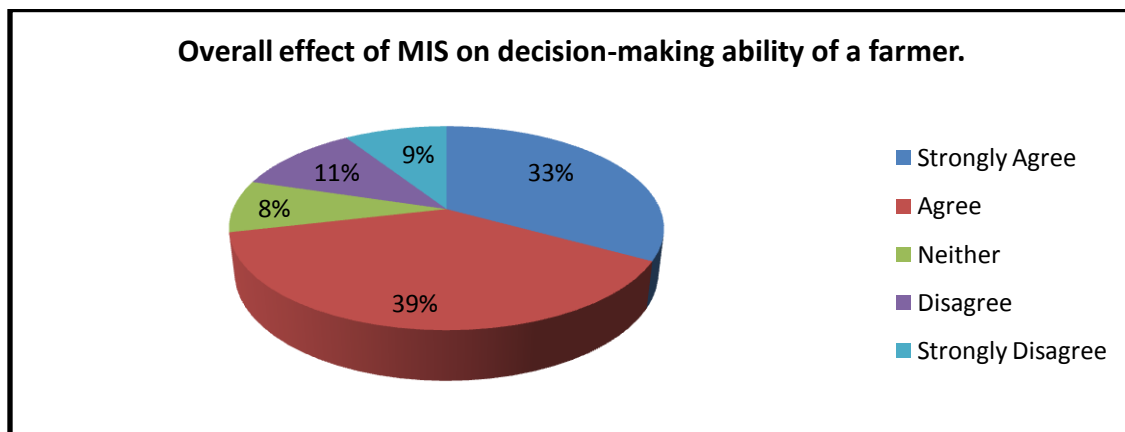
about various subsidies provided by government to the farmers.

Almost 68% of farmers believe that MIS is providing complete information about agricultural credit. However 32 % farmers are not agreeing that MIS is providing complete information about agricultural credit. In this case 32 % is a huge population who are dissatisfied. MIS should provide precise & accurate information about agricultural credit.

Almost 93% of farmers believe that the modern farm inputs are needed to raise small farm productivity. Only 7 % farmers are not agreeing that modern farm inputs are needed to raise small farm productivity. In this case only 7 % population is dissatisfied. Modern farm inputs should be used to raise small farm productivity.

Almost 95% of farmers responded positively that they are receiving information from both formal & informal sources. Only 5 % farmers are not agreeing that farmers are receiving information from both formal & informal sources. In this case only 5 % population is dissatisfied. Both formal & informal sources of information should be used so that the required information can be provided to farmers for their welfare & benefit.

Almost 72% farmers are in favor of the positive believe that information system can be used to improve their decision-making ability. However 28 % farmers are not in favor of the positive believe that information system can be used to improve their decision-making ability.



Interpretation:

Almost 72% farmers are in favors of the positive believe that information system can be used to improve their decision-making ability. However 28 % farmers are not in favors of the positive believe that information system can be used to improve their decision-making ability.

that at moderate level, application of MIS can improve the effectiveness of sales and purchase management in agribusiness. It is also found that most of the farmers, producing food grains, feel that Information system can be used to improve the decision-making ability of them.

XII. CONCLUSION

For carrying out various activities by farmers and rural areas, among other things, information support is also vital. As analyzed in the research , it is found

However most of the required agricultural information is not in easy access to the farmers. Therefore, application of ICT-based agriculture information support systems is very much important for the dissemination of agricultural information and technological knowhow by rural farming community.

The information system analysis indicates that more interactive information sources are needed. This may stimulate conventional farmers to convert to the modern approaches of farming. These changes could have been stimulated by more active experts working with selected local leaders if they had developed and improved relationships with public (especially extension and research) and private information sources. The complexity of the agricultural information system leads to an underestimation among end-users. Lack of knowledge of agricultural information may weaken the support for public

information funding as a major priority in agriculture. An increase in funding for public information should allow for an increase in the accessibility of public information to farmers.

Overall, MIS in agriculture is vital for the success of farming. However the efforts need to be taken in order to make it convenient to the farmers. This study is specifically for Nagpur area Farmers who are producing food grains . The larger sample of state or nation may be taken in further research for universally accepted results.

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