



## **BRIGHTER & DARKER ASPECTS OF COURIERS AND MESSENGERS MARKET DURING UNCERTAIN TIMES OF COVID PANDEMIC**

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### **Abstract**

*As the Covid 19 pandemic wreaks havoc on the retail, hospitality and leisure sectors, retailers, supermarkets, garden centers, bottle shops and restaurants scramble to tap into the Covid 19 market with the aim of satisfying bored and hungry consumers who are stuck at home in self-isolation. Demand is inevitably followed by supply, with enterprising individuals rushing to fill the gaps in the market, providing courier services and food take out, and delivering vegetable crates, home-made baked goods, sanitizers, face masks and other products, directly to the consumer. At the same time growth in the historic period resulted from increasing demand from medical and health care industries, rise in e-commerce, rise in consumer spending, and emerging markets growth. Factors that negatively affected growth in the historic period were the rise in crude oil prices and limited supply chain visibility. Going forward, increase in cross border trade, restaurant meals delivery services, rise in business activity, grocery delivery services, economic growth, reduced logistics cost, reduced oil prices, and Covid pandemic will drive growth. A factor that could hinder the growth of the couriers and messengers' market in the future is the adoption of in-house delivery. In the face of this new reality a number of adoptions & legal issues need to be considered in order to ensure that these new services are in compliance. Thus the research paper describes and evaluates the brighter & darker aspects of couriers and messengers' market during uncertain times of Covid pandemic.*

### **A Bird View of Couriers and Messengers Market**

The couriers and messengers' market is segmented by type of service into domestic couriers and international couriers. The domestic couriers market was the largest segment of the couriers and messengers' market, accounting for \$437.92 billion or 80.9% of the total in 2019. The international couriers market is expected to be the fastest-growing segment going forward at a CAGR of 11.5%. The couriers and messengers' market is also segmented by type of coverage into local messengers and local delivery' and couriers and express delivery services'. The couriers and express delivery services market was the largest segment of the couriers and messengers' market, accounting for \$507.5 billion or 93.7% of the total in 2019. The local messengers and local delivery market is expected to be the fastest-growing segment going forward at a CAGR of 14.9%.

The couriers and messengers' market is segmented by type end-user into B2B, B2C and others. The B2B end-use courier market was the largest segment of the couriers and messengers' market, accounting for \$314.2 billion or 58.0% of the total in 2019. The B2C end-use courier market is expected to be the fastest-growing segment going forward at a CAGR of 16.0%. Asia-Pacific was the largest region in the couriers and messengers' market, accounting for 35.1% of the global market in 2019. It was followed by North America, Western Europe and then the other regions. Going forward, the fastest growing regions in the couriers and messengers' market will be Asia-Pacific and the Middle East, where growth will be at CAGRs of 15.7% and 13.9% respectively. These will be followed by Africa and Eastern Europe, where the markets are expected to grow at CAGRs of 13.7% and 13.0% respectively.

The global couriers and messengers' market is concentrated, with a small number of large players dominating the market. The top ten competitors in the market made up to 45.6% of the total market in 2018. Major players in the market include United Parcel Service, Inc., FedEx Corporation, United States Postal Service, Deutsche PostDHL Group, SF Holdings and others. The global general transportation market, of which the couriers and messengers' market is a segment, reached a value of nearly \$ 1,842.7 billion in 2019, having grown at 5.52% since 2015. It is expected to grow at a compound annual growth rate (CAGR) of 8.38% to reach nearly \$2,542.6 billion by 2023.



The couriers and messengers' market was the second largest segment in the global general transportation market, accounting for 29.4% of the total in 2019. The sightseeing transportation & support activities for transportation market was the largest segment of the general transportation market, accounting for 59.3% of the total of \$1,092.5 billion globally and has grown at a CAGR of 5.02% during the historic period. The couriers and messengers' market is expected to grow the fastest at a CAGR of 11.09% during the forecast period.

The top opportunities in the global couriers and messengers' market segmented by type will arise in the domestic couriers segment which will gain \$226.8 billion of global annual sales by 2023. The top opportunities in the global couriers and messengers' market segmented by type of coverage will arise in the couriers and express delivery services segment which will gain \$258.10 billion of global annual sales by 2023. The top opportunities in the global couriers and messengers' market segmented by end-user will arise in the B2C segment which will gain \$161.35 billion of global annual sales by 2023. The couriers and messengers' market size will gain the most in China at \$83.9 billion.

### **Objectives of the Study**

1. To describes and evaluates the brighter & darker aspects of couriers and messengers' market during uncertain times of Covid pandemic.
2. To recommend strategies adopted during uncertain times.

### **Methodology**

The research methodology adopted for the present study is descriptive in nature and data's are collected through both primary and secondary sources.

### **Results & Discussions**

#### **Objective 1: To describes and evaluates the brighter & darker aspects of couriers and messengers' market during uncertain times of Covid pandemic.**

As the Covid-19 pandemic wreaks havoc on the retail, hospitality and leisure sectors, retailers, supermarkets, garden centres, bottle shops and restaurants scramble to tap into the Covid-19 market with the aim of satisfying bored and hungry consumers who are stuck at home in self-isolation. Demand is inevitably followed by supply, with enterprising individuals rushing to fill the gaps in the market, providing courier services and food take out, and delivering vegetable crates, home-made baked goods, sanitizers, face masks and other products, directly to the consumer. In the face of this new reality a number of legal issues need to be considered in order to ensure that these new services are in compliance.

#### **1. Couriers, Deliveries and Personal Shoppers**

##### **Brighter Aspects**

The emergency health laws enacted to curb the spread of the Covid-19 pandemic have led to the closure of restaurants and catering establishments, as well as the general avoidance of crowded places such as supermarkets, grocery stores and shops in general. This has led to the boom in delivery or "courier" services with plenty of mobile apps, websites and Facebook pages providing take out delivery, fresh fruit and produce, and even groceries straight to the consumer's door. In this scenario, restaurateurs and traders are shifting to sell prepared, frozen or take-out goods, choosing to either provide a delivery service in-house or to out-source this function to third party providers. "Courier" companies or "personal shopping" providers are also on the increase, servicing consumers who would rather not venture outside, and literally doing their shopping and taking it straight to their door.

##### **Darker Aspects**

A number of legal issues arise in cases where such couriers are not officially-partnered or approved by the respective retailers, but proceed to deliver the retailers' goods, to showcase their products and menus, and to deliver their products (due to high consumer-driven demand). This has already led to legal issues in the US and the UK where 'fast-food' delivery companies Grubhub, Seamless and Yelp have adopted the practice of providing



take away services, which requires them to reproduce menus without authorization from the relevant restaurateurs. This practice has also made way to our shores with competing courier companies scrambling to acquire new markets and streams of revenue. This can lead to allegations of deceit by restaurateurs who choose not to provide delivery services, but end up unknowingly doing so unwittingly. Some restaurateurs would rather not provide a delivery service, since this might not be in line with their vision and product-offering. Similarly, some retailers would rather not deliver their products, due to strategic, operational or competitive reasons. Some retailers selling seasonal produce or in highly competitive industries such as the wholesale and retail markets would rather not publicly list their entire price list of goods to be made available to the general public (and the competition) on the internet. Certain retailers may also rather not be associated with third-party providers at all, seeing that this might result in a loss of control over quality and reputation, which takes years to build and seconds to destroy.

While the practice of offering courier services is not specifically regulated locally, a number of legal issues related to 'passing' off, unfair competition and IP infringement may arise if such courier-services are offered without the relevant retailers' approval or without appropriate contractual arrangements. Even in cases where there is mutual agreement for the provision of delivery services, in order to protect one's brand, goodwill and reputation, it may be advisable for restaurateurs, wholesalers and retailers to enter into franchise agreements or delivery service agreements containing clear service-levels regulating delivery times, cold-chain, consumer issues, food safety, liability, and intellectual property matters to ensure that clear boundaries are drawn between the principal and delivery-service providers who are providing the service.

## **2. Transportation and Logistics (T&L) Players**

### **Brighter Aspects**

Transportation and Logistics (T&L) players COVID-19 impact on Transportation and Logistics has been tremendous, and the industry's response to this disruption has been mixed. On a positive note, Transportation and Logistics (T&L) players were able to manage the imbalance of supply and demand of essentials like grocery and medical supplies by repositioning their supply chain network or resources. Online transaction volume increased by 25-30% and is expected to further increase up to 50%. This has helped unemployed workers to switch jobs to handle the volume surge.

### **Darker Aspects**

The disruptions at factories and warehouses due to lockdowns have created a supply surplus in transportation and warehousing capacity. Global freight forwarding market is expected to contract by 7.5% in 2020, compared to previous year. Ocean freight volume contraction led to shipping line blank sailings, port calling, delayed orders, waiver of demurrage and detention charges at ports etc. Due to travel restrictions, air cargo faced capacity challenges resulting in rates increase. No output from factories created bottlenecks for surface transport. Efforts to reduce virus spread and changing customer behavior created surge in online orders, resulting in labor shortage and change in fulfillment model. We see imbalance in supply and demand as the outcome. T&L players need to reposition their supply chain networks to enhance visibility, enable digital operations, support customers with new offerings and delivery models, and ensure safe logistics operations to cope with the changes in the new normal. To minimize disruptions in global trade, industries are augmenting product offerings, operations, and processes across the value chain. T&L players will have to reposition their supply chain networks, service offerings and logistics operations in four dimensions to cope up with these changes in mid to long term.

## **3. Postal Service Industry**

### **Brighter Aspects**

COVID-19 Pandemic Encourages Contactless and Digitalization Trends In The Postal Service Industry. According to The Business Research Company's research report on the postal service's global market, in today's fast-paced lifestyles, customers do not find time to visit or wait at post offices to deposit their mail. To meet the needs of the customers, post offices are launching digital solutions like Kiosks and Mobile POS to improve branch productivity and make the mail depositing process simpler and to provide less human contact. Using

drones for delivery of mails and parcels is another driving factor in this sector, as drones can provide contactless delivery which is likely to attract customers in the current COVID-19 situation and is likely to be adopted in the future. Drones can be used to deliver urgent mails and parcels to remote areas. Delivery of mails and parcels by drones is in testing stage and is subjected to safety regulations, high operational costs, and limited carrying capacity.

While the ongoing pandemic forced governments across the world to impose lockdowns to contain the immediate spread of the virus, there were few services which were considered essential and continued operations in the pandemic. Postal services were one of them. Postal services were categorized under essential services in most countries that imposed lockdown and were used to deliver personal protection equipment, medicines, government documents, medical equipment, money, and mail, among other things. For instance, in 2020, India Post kept all their branches in operation and was delivering medicines, cash, insurance, pension, and government papers, mostly in rural areas.

### **Darker Aspects**

While considered an essential service and continuing as such during these times, the rapidly spreading coronavirus outbreak will have long-term effects on the postal services market and its segments, i.e. letter post (communications and direct mail), parcels and logistics (delivery of e-commerce goods and supply chain solutions), financial services (e.g. remittances), and other products (e.g. citizen services). The postal services market is facing supply side shocks such as labor shortages or the physical inability to carry on production activities owing to social distancing measures. Cross-border trade is restricted, and all international flows have been disrupted due to the closure of airports. International supply chains of postal services are suffering a setback as constraints imposed on international transport, in particular aviation, are being implemented. As the COVID-19 crisis gathered pace and disruptions to air transport mounted, many postal operators took significant steps to mitigate the most adverse impacts of the disruptions in the global supply chain, and therefore in their activities. Some of these measures were simply a necessary and obligatory follow-up to the public health and economic measures decreed by governments, thus inevitably causing further disruptions to operations. Lockdown and travel restrictions imposed by governments to curb the spread of the virus have impacted the domestic postal services flow as well. With fewer post offices open and the projected decrease in postal payments, the amount and volume of transactions will most likely drop in 2020, as the number of new postal accounts also falls. The crisis will also impact other postal activities such as philately, with delays in the production, delivery, and reimbursement of international reply coupons. The postal service market share is thus expected to decrease from **\$208.55 billion** in 2019 to **\$193.25 billion** in 2020 at a rate of **-7.34%**. According to postal services market research, it is then expected to recover and grow at a CAGR of **1.60%** from 2021 and reach **\$200.77 billion** in 2023.

A part of this recovery is the understanding that there was a misconception in concern regarding receiving and sending mails and parcels during the wake of the coronavirus pandemic. In March 2020, according to Google Trends in Australia the third most searched question in the third week of March in Australia was “Can you get coronavirus from mail?” Similarly, several people around the world were concerned about getting an infection from post. To find this, different studies were conducted to understand how long the virus can survive on paper and mail. According to a study published by the Lancet in April 2020, the novel coronavirus only lives for three hours on printing. Due to growing fears, the C.D.C. made an official announcement stating that there is a low risk of transmission through packages. The WHO also stated that the likelihood of an infected person contaminating commercial goods is low, and the risk of catching the virus that causes COVID-19 from a package that has been moved, traveled, and exposed to different conditions and temperature is also low.

### **4. Cross-Border Trade**

**Brighter Aspects:** Cross-border trade in parcels has played a critical role in helping people and firms deal with issues stemming from physical distancing and confinement measures implemented during COVID-19. This note discusses that role and the policies that can help ensure parcel trade can continue to be leveraged to help promote an inclusive economic recovery from COVID-19. Physical distancing and confinement measures have accelerated

already growing trends in online shopping. By the end of May 2020, online orders had, on average, more than doubled year-on-year in North America and were up by 50% in Europe. Many products ordered online are shipped across borders in individual consignments, in what is known as parcel trade. This trade has helped consumers access the goods they need in times of confinement and also allowed firms, especially smaller ones, to maintain economic activity. The types of parcels traded during confinement vary significantly; however, information available for EU countries shows that growth has been dominated by purchases of computers and related accessories; medical goods (pharmaceuticals); and leisure items such as books or games. Compared to 'traditional' container trade, parcel trade involves an even more complex network of interlinked actors and policies, and so ensuring that parcels get to where they are needed during confinement, as well as during gradual reopening, requires policy action across a diverse set of issues.

### **Darker Aspects**

During confinement, a range of challenges for parcel trade have emerged: *Supply side challenges*, related to reduced worker availability, have been exacerbated by a host of issues affecting supply chain logistics. Among the most challenging have been service capacity restrictions, delays associated with specific controls and new protocols, and last mile geographic restrictions with closures of specific routes. *At the border*, especially in the context of distancing measures, Customs and other border agencies have had to deal with the twin problems of growing workloads and lower availability of personnel, causing delays which have had wider repercussions across the different actors in the parcel trade ecosystem.

## **5. Parcel Trade**

### **Brighter Aspects**

- Cross-border trade in parcels helps support economic activity in times of crisis.
- More people are staying home for retail and recreation.
- Leading to growing e-commerce and declining port container trade since the onset of COVID-19.
- During the crisis, parcel trade has seen the highest growth in computers and related accessories, medical goods, books and other leisure items.
- The types and values of goods crossing borders as parcel shipments is also changing.
- Receiving orders through computer networks matters for all firms.
- A complex network of actors ensures that parcels arrive at their destination.
- Supply side challenges have risen along the whole logistics chain during COVID-19, including at the border.

### **Darker Aspects**

On the demand side, the current crisis has exacerbated already existing challenges.

- Logistics operators report a range of challenges in shipping parcels internationally during COVID-19.
- De minimis thresholds for import duties vary significantly across regions.
- More restrictiveness on trade in courier services is correlated with lower postal reliability.
- The extent to which households have Internet access varies worldwide.
- Restrictions on telecommunications services are associated with less affordable Internet access.
- Digital technologies can help with physical distancing during COVID-19, but their availability varies across regions.

## **2. Consumer Rights when Shopping Online**

### **Brighter Aspects**

With a huge shift to online shopping and delivery of goods to consumers, retailers should keep in mind the Consumer Rights Regulations (S.L 387.17) which apply in most cases of distance selling (bar a number of sectors and exceptions) and which provide rules on distance selling i.e. contracts of sale concluded "without the simultaneous physical presence of the trader and the consumer." When selling over the internet a trader should

provide the consumer with clear and comprehensible information on the identity of the trader, price and extra charges, mode of payment, delivery, warranty, functionality, and the right of withdrawal or 'cooling off period' of 14 days (save for exceptions provided in the law). Consumers also have recourse at law if the goods delivered are not in conformity with the description of the goods or when 'wrong' items are delivered. In these cases, the costs of returning the goods and receiving the 'correct' one must be borne by the trader. Goods delivered to consumers may also arrive with missing items, in which case the consumer must inform the trader straight away and ask to have the missing items delivered without unnecessary delays. When such a solution is not possible, consumers may cancel the sale and claim back the money paid to the trader. On the demand side, the current crisis has intensified already existing challenges, particularly with regard to consumers' ability to purchase online. Access to the Internet – and its cost – still varies considerably within and between countries, affecting the ability of many households to purchase goods online. Enabling elements such as e-payments, digital certificates and signatures, and digital postal service capacities have helped address some of these challenges, ensuring that businesses can continue operating, while respecting physical distancing measures.

### Darker Aspects

The current surge in business and demand for the delivery of goods sold online is also leading to delays in the delivery of such goods. The same regulations provide that unless the parties stipulate otherwise, consumers must be supplied with the ordered goods within 30 days from the date of the order. Where the trader fails to deliver within a 'reasonable' time, the consumer will have a right to cancel the sale and request a refund of any price paid. However, limiting in-person interaction while keeping businesses of all sizes operational will remain key priorities for policymakers for some time to come. Sustained efforts to scale up the physical and regulatory infrastructure that underpins digital networks and the parcel ecosystem will be needed, including through continued discussions on e-commerce at the World Trade Organization (WTO).

<b>Table 1. The Early COVID-19 Crisis saw Large Changes in what was Purchased Online</b>			
<b>Change in Online Purchases, % Change from March 2019 to March 2020</b>			
<b>Top</b>		<b>Bottom</b>	
Disposable gloves	670%	Luggage & suitcases	-77%
Bread machines	652%	Cameras	-64%
Dried grains & rice	386%	Men's swimwear	-64%
Packaged foods	377%	Bridal clothing	-63%
Weight training	307%	Men's formal wear	-62%
Hand soap & sanitizer	262%	Women's swimwear	-59%
Pasta	249%	Rash guards	-59%
Women's health	215%	Boy's athletic shoes	-59%
Power generators	210%	Gym bags	-57%
Laundry supplies	200%	Backpacks	-56%
Household cleaners	195%	Snorkelling equipment	-56%
Toilet paper	190%	Girls swimwear	-55%
Health monitors	182%	Event & party supplies	-55%

Popcorn	179%	Motorcycle protective gear	-55%
Computer monitors	172%	Camera bags & cases	-54%
Fitness equipment	170%	Women's suits & dresses	-53%
Single vitamins	166%	Drones	-50%
Cat food	162%	Track & field equipment	-48%
Refrigerators	160%	Motorcycle parts	-45%
Baking mixes	160%	Camping equipment	-39%

**Source: Stackline (<https://www.stackline.com/news/top-100-gaining-top-100-declining-e-commerce-categories-march-2020>).**

## Strategies adopted during Uncertain Times

**1. Zero-Contact Delivery Models:** Amidst the unprecedented outbreak of coronavirus, governments across the world are advising people to stay indoors and practice social distancing, to reduce the spread of the pandemic. This has increased short term potential growth opportunities for the industry. However, considering the highly contagious nature of the virus, couriers and messengers companies are adopting 'zero-contact' delivery models. In this type of delivery, the delivery person places the goods at the designated spot and maintains the required distance to prevent the spread of disease. Besides, companies are also encouraging digital payments to ensure the prevention of the spread of disease. Couriers and messengers companies should adopt contactless delivery models to ensure safety.

## 2. Other Strategies

1. Connect With Your Customers
2. Embrace Change
3. Create Content Related to COVID-19
4. Leverage Social Media
5. Provide Free Content
6. Reassess Your Business's Values
7. Organize Remote Events
8. Adjust Your Email Strategy
9. Optimize Work-From-Home Technology
10. Focus On Your Existing Network
11. Remain Flexible

## Conclusion

Market-trend-based strategies for the couriers and messengers' market include offering cost-efficient and reliable on-demand parcel delivery services to customers, investing in automated parcel terminals to reduce operational costs, realigning services to leverage opportunities and remain competitive in the B2C delivery services market, offering customized solutions to e-commerce companies to increase revenues, and adopting drones in their delivery process to save time and transportation costs. Player-adopted strategies in the couriers and messengers industry include developing strategic partnerships and collaborations to improve operations, strengthening business and service offerings through acquisitions, and investing to develop technology to provide better services. To take advantage of the opportunities, the publisher recommends the couriers and messengers companies to collaborate with Healthcare, Food & Beverage, and E-commerce Companies. Couriers and

messenger should incorporate latest technologies and increase the supply chain visibility and focus on contactless delivery.

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## HR LEADERSHIP IN THE AGE OF UNCERTAINTY

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### **Abstract**

*HR leaders must candidly acknowledge the downsides and the unknowns. Most importantly, it is the HR leader's job to help employees make sense of the changing conditions, anticipate the likely scenarios ahead, and make up their own minds about how to best deal with these situations. The HR leaders who are the best at managing in uncertain worlds also rely on systems thinking that allows them to sort out complex problems. Researcher explains HR leaders assemble the best team they can, and trust that team to find the information the organization needs to get through crisis. Researcher also highlights uncertain times can severely test and reveal the quality of an organizations HR leadership. It is during these times that great HR leaders act and lead. As employees struggle to make sense of a new situation, they are particularly hungry for information and analysis during the opening stages. Thus the research paper comes with new HR concepts when leading employees during times of uncertainty.*

**Keywords:** *HR leadership, Uncertainty, HR concepts, Inform, Connect, Guide, Unite & Leadership toolkit.*

### **Introduction**

The Romans wondered whether force or inspiration was more effective as a motivator. HR leadership and management are two distinct traits. Management is about coping with complexity, and bringing order and predictability. By contrast, HR leadership is about handling ambiguity and change. To help teams succeed during uncertain times, HR leaders need to navigate different horizons; it requires us to do the foundational work of managing ourselves and building strong relationships with our teams, but also navigating the present to invest in resilience on teams, and maintaining a strong connection with the big picture. Organizations need HR leadership at all levels. In order to be successful, HR leaders should develop skills for self management, delegation, dealing with ambiguity, managing in all directions, systems thinking, and leading through context.

### **Objectives of the Study**

1. To identify key HR concepts when leading people during uncertainty.
2. To propose practical approach to HR leaders.
3. To recommend HR leadership toolkit in testing times.

### **Methodology**

The research methodology adopted for the present study is descriptive in nature and data's are collected through both primary and secondary sources.

### **Results & Discussions**

#### **Objective 1: To identify key HR concepts when leading people during uncertainty.**

It is nearly impossible to escape from the unending stream of global unrest, and yet, in extraordinary times people turn to their leaders for guidance and reassurance more than ever before. The Edelman's Trust Barometer of 2019 shows a global population increasingly pessimistic about the future, and with eroding trust in the institutions that govern the world we live in. Yet, of societies core institutions (Employer, NGOs, Business, Government, Media), trust in one's employer remains the most robust. Furthermore, more people than ever (76%) say that HRs should take the lead on change rather than waiting for government to impose it and 71% of employees agree that it's critically important for their HR to respond to challenging times. There are four key concepts when leading people during times of uncertainty: Inform, Connect, Guide, and Unite. As people struggle to make sense of a new situation, they are particularly hungry for information and analysis during the opening stages.

**1. Inform:** As people struggle to make sense of the evolving uncertainty around them and what it means for them and their employer, they are particularly hungry for information and analysis. For this reason, we may find that they are most open to frequent and ongoing communication efforts. Authenticity is of primary importance here. HR leaders must candidly acknowledge the downsides and the unknowns the company is facing. This will create credibility when painting a picture of their organization's strengths and encouraging people to focus on the solid fundamentals. Most importantly, it is the leader's job to help people make sense of the changing conditions, anticipate the likely scenarios ahead, and give them the tools to help them make up their own minds about how to best deal with these situations.

**Tip for the HR:** Communicate early and frequently. The risk of over communicating is far less important than risking appearing out of touch with the current reality. Embrace humility and tell the truth; overpromising is only likely to backfire.

**2. Connect:** As evidenced by Edelman's research, it is important for HRs to generate a feeling of trust with employees. This will not happen if their communications appear remote or artificial. People need to feel a personal presence and connection. Senior executives who reach out to their employees and foster warmth and support will be seen as a credible source of reassurance and information. One way to do so is for leaders need to acknowledge that they, too, are affected by the uncertainty in the world around them. Admitting it is not a sign of weakness. On the contrary, it signals that they are in touch with their own feelings and with others as fellow human beings.

**Tip for the HR:** In times of change and uncertainty, give people opportunities to safely express their emotions. Reach out to employees on a personal basis. Get out of your office and encourage others to do the same. News of this will spread and positively affect the overall culture.

**3. Guide** More than at any other time, during periods of uncertainty people wants HR leaders who are comfortable giving direction on what to do and what not to do. However, inconsiderate or premature calls to "Put this behind us" and "Get back to work" will be counterproductive. Talking about the long term visions and strategies of the company will not be effective when people are bracing for further bad news, or emotionally recovering from previous disclosures. Our HR may find it beneficial to start with more basic elements. The first step is to provide clear guidance on business-critical priorities that everyone can rally around and contribute to. As those concerns are being addressed, the HR should invite people to think of the unique skills and qualities that have kept them in business with their internal or external customers. How can they leverage those and make a difference to others who are dealing with the same issues?

**Tip for the HR:** Give steady guidance. Focus on the concrete steps on which all employees can align. Empower them to be part of the solution within that framework. Patiently hammer your message its stability may be as important as its content.

**4. Unite:** Turbulent times remind us of the importance of human community. People value it and increasingly see their place of employment as a valid arena to experience that connection. They need to rally behind those things that bind them together. HR leaders can pull their employees closer to the company by reinforcing what makes them a unique group. HR can help crystallize these feelings to energize a group toward joint action. You may find that actively dealing with adversity will actually enhance a sense of togetherness and resilience as a community. The HR leader who taps into aspects of who people are and how they function sends a strong message in times of uncertainty: "What we're doing now validates what we've always done; we can adapt to change and still be true to who we are."



**Tip for the HR:** Celebrate who you are as a business community. Emphasize connectedness to your industry, your company, your customers and one another.

The combination of uncertain times and the trust that people place in their employer presents a unique opportunity to reimagine the HR's potential for influence to include not only the purely transactional role of management, but also the more personally engaged role of HR leadership. Those who do so will reap the rewards of a loyal group of people committed to the success of their company and connected to the world around them.

## **Objective 2: To propose practical approach to HR leaders.**

### **Case Study**

About ten years ago, Bonni and Alex boarded a plane to Chicago to visit their parents for Thanksgiving. They left Orange County on what they supposed to be a three and a half hour flight to O'Hare. Seven hours later, they were on the ground in Milwaukee. As happens a lot during that time of year, Chicago got hit with snow while they were in the air. While inconvenient, Alex remembers being impressed with the pilot's handling of the trip. They received regular updates during the journey and, unlike other flights they have been on, they got information quickly and clear explanations from the pilot on why he was making the decisions he made along the way. It also highlighted the difference between management and leadership. Management is following all the checklists and getting the plane safely to the destination, as planned. Leadership is determining what to do and where to go in an uncertain situation. A client talked with me this past week about having a tough time getting people to engage during a difficult transition in his organization. In particular, he's noticed that people are quiet in meetings, which is making progress on all their projects much more challenging. "What can Alex do to re-open communication?" was the question to Alex. Lack of communication is probably a symptom of the more likely problem: fear. Here are four things Alex suggested:

**1. Lead First, Manage Second:** Many effective HR leaders know are good managers too. They have solid processes in place that they follow consistently in order to get their teams to achieve a long-term vision. But during times of uncertainty, it's secondary to leading well. On planes, nobody would care much about the management of turbulence, food service, or arrival time if they didn't know where the plane was going. The destination is the whole point of the trip. People don't fight to get an aisle seat on a plane bound for nowhere. In times of change, people need to know where they are going or at least as much as you know. Tell people what you can and demonstrate how you are working to figure out the rest.

**2. Acknowledge the Elephant:** The angriest they have seen people on aircraft is when it's clear there's a delay and then no explanation from the pilot. Frequent fliers quickly recognize something that isn't right. People in our organization know when something's not right too. The temptation for a lot of managers is to not engage people when they don't have all the answers. When it's obvious something is changing, good HR leaders acknowledge and discuss it. Rarely is all the information available or disclosable, but ignoring the elephant only ensures that it will do more damage in the end much like a silent pilot only collects angry passengers.

**3. Listen to People:** They have never been on a diverted flight where people didn't want to talk to their seat mates, flight attendants, cockpit crew, Aunt Kathy on the phone, etc. about it. Many of us have a natural inclination to be heard when change is happening, even if we know it won't lead to immediate answers. Find a way to listen to people during uncertainty. If not appropriate in larger venues, engage 1:1 and ask what they are thinking about the change. People will talk regardless. If you aren't listening, they'll just talk behind your back.

**4. Explain What's Next:** In the absence of information, people create their own stories. They have sat next to people on airplanes who had zero knowledge of aviation but suddenly became experts on piloting when there wasn't a timely update. No leader has every answer in any situation, but every leader can explain what they know and the decisions they are making. Left to their own devices, people will quickly create inaccurate and erroneous stories. Neither pilots nor HR managers ever have all the answers but good HR leaders in both situations know to engage proactively so they have trust with their followers when it's time for action.

### **Objective 3: To recommend HR leadership toolkit in testing times.**

According to professors Brian Leggett and Conor Neill from IESE Business School, the new “Leadership Toolkit” consists of a set of qualities that can be divided into two major categories, known as the Magnet and the Hammer. The Magnet comprises all the virtues that create a pull force, such as attracting the right people to the team through charismatic speaking, motivating employees by casting a compelling vision for the company/project/future, listening to team members, and being open to criticism, while the Hammer delivers all the qualities that help create a push force, in other words, the abilities that move people to action, like setting metrics, making strategic plans, establishing deadlines, giving orders, and (eventually) issuing threats. We could thus summarize the twin pillars of leadership in two sets of characteristics:

“Hammer Actions” would thus include the following:

- Develop a strategic plan
- Set metrics
- Establish deadlines
- Issue orders (even threats if necessary)
- Create a reward system

While “Magnet Actions” could be listed as follows:

- Speak charismatically
- Cast an inspiring vision
- Storytelling
- Lead by example
- Be open for dialogue and criticism

Thus a practical approach to leadership styles for HR managers and everyone who is responsible for leading people and organizations, offering a dual model of executive leadership that can help overcome testing times.

### **Conclusion**

Company HR leaders are probably not having fun during uncertainties. They live in difficult and uncertain times. Decreasing revenues have led HR administrators to reduce costs drastically, sometimes cutting jobs, or slashing salaries. HR Managers find themselves in a very undesirable position of making tough and painful decisions that have serious effects on other people’s lives. On the other hand, we know well that uncertain times call for great HR leadership. Strong, effective HR leaders are individuals who possess a rare set of qualities that enable them to attract talent, build consensus, and bring people together, while at the same time being assertive, delivering effective results, and “getting things done.” This apparent unusual combination of charisma and firmness is what enables HR people to lead teams and make an impact or positive change in the world, and it is key in navigating through challenging situations. Thus in times of adversity, effective HR leaders stand out for their empathy, transparency and humility. Research shows HR leaders who trust and empower their teams unleash powerful potential.

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## MANAGEMENT & HR LEADERSHIP CHALLENGES DURING TURBULENCE

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### **Abstract**

*Be it a natural disaster or global health concerns, our organizations are bound to encounter some unexpected external circumstances. It's not always easy to keep our businesses running smoothly during these trying times, especially when crises are dominating headlines, but it's up to management & HR to ensure employees remain motivated and reassured. So the researcher explains what can we do to help reassure our assets (people), when so often they look to us for knowledge, advice and expertise on such topics? And the way to support our workforce during times of turbulence/uncertainty.*

**Keywords:** *Management, HR leadership, Challenges, Turbulence, HR curator, Strategic activities, HR ideas.*

### **Introduction**

Uncertainty is like the weather. It's always there, part of the atmosphere, and a condition over which individuals and organizations have very little control. The severity of uncertainty, like the severity of the weather, can rise and fall. At the moment, around the world, CEOs & HRs are operating under a series of severe uncertainty alerts. The impact of any crisis has dramatically changed the people management playing field. Management & HR leaders are now challenged to get everything done from redesigning and restructuring work; creating healthy workplaces; layoffs and redundancies, redesigning people management practices and processes and all-in-all playing a critical role in the organization's survival. In most cases Management & HR leaders have done a great job to their teams. But, with a continuously-changing environment, new challenges keep arisen.

### **Objectives of the Study**

1. To identify the HR curator strategic activities during uncertainty.
2. To discover rethinking HR ideas for business during turbulence.

### **Methodology**

The research methodology adopted for the present study is descriptive in nature and data's are collected through both primary and secondary sources.

### **Results & Discussions**

#### **Objective 1: To identify the HR curator strategic activities during uncertainty.**

One not able to be accurately known or predict the issue is uncertain. But the sudden shift in work culture has brought new challenges for HR. The top priority for HR professionals is now crisis response and how to keep the employees engaged, provide the right communication channels and tools for remote work, and more. The HR strategy is based on the organizational strategy. The HR strategy touches on all the key areas in HR. These include recruitment, learning & development, performance appraisal, compensation, & succession planning. Typically, strategy in HR is a long-term plan. A comprehensive strategy addresses all the key areas of HR: recruitment, compensation, learning and development, performance appraisal, and succession planning. Strategic HR provides the most value when it aligns HR activities with an organization's goals. But two basic types of HR strategies can be identified. These are: Overarching strategies and Specific strategies relating to the different aspects of human resource management.

#### **Objective 2: To discover rethinking HR ideas for business during turbulence.**

In a difficult environment, HR leaders need to resist the impulse to adopt a defensive pose. They must instead take actions that will position their organization for success. Hence discovering and rethinking HR ideas for business during turbulence is a must. The following are the few practical and acceptable ideas for business during uncertainty:

**1. Be Proactive:** Plan for Specific Scenarios before they Happen. HR professionals can't predict the future but they can have a plan ready to go when employees and managers look to them for answers on how to navigate these difficult situations. Contingency planning is especially important in the world of work. The economy, the political climate and several other factors impact how your business operates. Take an economic downturn, for instance. If the Dow were to drop significantly, it would likely require your organization to make staffing changes. Meanwhile, policy changes like new legislation around the gig economy and data privacy can impact employees' day-to-day routines, so it's important to stay up-to-date on what's going on outside the office so that you can better prepare your workforce. Contingency planning also means preparing for unlikely and potentially frightening events, like natural disasters and widespread illnesses. In the case of the former, it may be worth conducting training that helps workers know what to do if, say, an earthquake hits or tornado strikes (e.g., how to evacuate, where to seek shelter, etc.). You might also take proactive measures to purchase office rental insurance or move all paper files onto the cloud. Meanwhile, for health-specific cases, contingency plans might include rethinking how your business operates if employees need to work remotely for an extended period of time to limit risks. Conducting a "trial run" of sorts can ensure employees have the tools they need to work from home effectively. That way, if and when the time comes when they must avoid going into the office, they are prepared to continue working effectively from home. It will also be important to develop a plan for these employees who need to quarantine themselves. Brainstorm ways to keep them feeling engaged in their work and included on the team.

**2. Effective Communication:** As employee expectations continue to change, organizations are placing increased emphasis on transparency. Many companies are sharing information that was once considered confidential with their employees, from business financials to data around diversity and inclusion. Communicating with transparency shows employees you value them and want to keep them updated on what's happening across the organization. Transparent communication is especially important when dealing with unforeseen circumstances because it empowers organizations to build trust and gain respect from employees. Telling your staff how and why you're making certain decisions or taking specific actions will give them peace of mind that HR is there to protect them whatever the circumstances may be. Prepare ahead of time so you are not scrambling when everyone is looking to you for answers. Most of what you would need to communicate can be preplanned so that you are only making minor adjustments when you need to act. Take the current global health scare: The probability that you will have not just one, but multiple employees contract the coronavirus seems inevitable based on current information available. Have you thought about what you plan to say to them, their colleague, an entire office or even your customers? Conversely, have you trained your employees on what to communicate or how to act when they are faced with a customer who may be coughing and sneezing or showing other signs of flu symptoms in your stores? Protecting your employees and your brand require thoughtful consideration, planning, and training.

But it's not just HR that must communicate with employees it's also imperative that managers and leads are comfortable speaking with their teams about these issues. Train managers on how they can effectively communicate these various scenarios to employees. In the event that a member of your company is diagnosed with the virus, be prepared to communicate this information truthfully and sensitively to your staff without shaming these individuals. When they return to work, pay attention to how they are reaccelerating and make sure their colleagues treat them with respect.

**3. Lead by Example:** HR leaders and C-level executives set the tone for the company from the top down. For organizations to succeed, senior leaders need to practice what they preach. Executives who fail to lead by example will leave workers confused about how they should act. For example, if you advise staff to put their health first by avoiding unnecessary business travel, but then ignore your own advice by boarding a plane across the country for a conference a few days later, you will likely send a mixed message. When leaders model appropriate behaviors, their employees know exactly what's expected of

them. This allows them to focus on their work rather than spending time and energy second-guessing company policies.

**4. More Flexibility:** There has been a growing trend towards flexible work schedules over the last decade. This benefit not only helps employees successfully manage their work-life balance, from cutting down commute times to ensuring working parents can pick their kids up from school, it also provides employees with the support they need during times of uncertainty. For example, allowing employees to work from home or encouraging them to take time off if they aren't feeling well gives them an opportunity to recover and come back feeling refreshed and well-rested. Offering paid sick leave enhances productivity and reduces turnover. It's also proven to slow the spread of disease. And during times of crisis, employers shouldn't shy away from strictly enforcing rules around coming into the office. If someone is exhibiting signs of a cold, encourage them to work from home or even take time off to get better. If your sick policy is not robust enough to account for current health scare, or lead employees feel they have to come to work because of lack of pay or fear of disciplinary action, it's time to revisit your practice even if only on a temporary basis.

Consider scenarios where employees may be uncomfortable working in close proximity to their colleagues who have traveled, even domestically, or attended conferences, concerts or other large gatherings of people. Allowing fearful employees to work from home will help them to be more productive and focus on their surroundings. But beyond offering location flexibility and paid sick time, organizations must actually foster a culture that empowers employees to work from anywhere in the event that the office closes for an extended period of time. Make sure every employee is reachable via multiple modes of communication, including phone, email and chat. Some organizations might even invest in portable technology or implement remote working policies that provide clarity and empower employees to act. Most importantly, employees must understand that they won't be penalized for working from home.

**5. Encourage & Offer Learning Courses on Relevant Topics:** Of course, uncertain circumstances often require employees to make some adjustments to their day-to-day schedules, and it's up to HR to provide them with the tools they need to carry on with their regular tasks. Learning and development programs that are accessible from anywhere can give employees the guidance they need to continue to thrive on the job. For example, if your organization has adopted a more flexible work from home policy, a learning course on how to stay productive when working remotely can help employees manage their tasks and stay engaged. Meanwhile, online courses about stress management and mindfulness can help employees navigate worrisome situations while simultaneously equipping them with important soft skills for the future of work.

**6. Redefine Your Goals:** In times like these, it's important to understand that change is inevitable. Instead of attempting to minimize issues that are beyond your control, embrace these challenges by adjusting your organizational goals accordingly. Encourage employees and managers to be adaptable and be there to support and guide them along the way. Be sure to also apply these adjustments to other stakeholders, such as customers or suppliers. For example, be open to rescheduling client meetings where travel is required. Consider hosting purposeful and engaging virtual meetings instead. And if your organization is planning to attend a large conference, or is hosting its own, be realistic about your sales, marketing and client expectations given that some people including your own employees may not want to travel. Making these adjustments isn't always easy and it might take some time. But by providing the necessary resources and support across your organization, employees will be able to navigate whatever changes may come their way.

**7. Linear Thinking:** This mindset change requires shifting away from complicated thinking and embracing a complexity consciousness. Complicated problems require linear thinking – they can often be avoided and can

benefit from expert input. This kind of problem-solving is familiar. In contrast, complex problems live in the realm of the unknown. There are no best practices to solve these complex problems, because we've never experienced them before and, therefore, couldn't have predicted them. Adopting a complexity mindset starts by accepting that complexity exists and needs to be accounted for differently.

**8. Develop Culture of Collaboration & Trust:** In this volatile landscape, trust serves as the foundation for teams to be compatible to grapple together with uncertainty and the unknown.

**9. Tap into the power of Collective Intelligence:** Tap into your most valuable resource: the genius of your own employees. The majority of your workforce consists of smart, trustworthy people who know their jobs better than their leaders do. Collective intelligence is group intelligence that emerges from the collaboration, efforts and engagement of diverse teams. Sue Bingham refers to James Surowiecki who stated that collective intelligence needs four conditions to flourish: (a) Diversity of opinion to guard against group think; (b) independent thinking that frees each person to express their own opinions without judgement or pressure to conform (c) decentralizing which means that the closer a person is to the problem or the customer, the likelier they are to offer a meaningful contribution; and (d) a good method of aggregating results.

**10. Data:** Technology and data play a crucial role in building a strategy that is agile, resilient, and dynamic. Big data and machine learning allow for a greater ability to model economic, corporate, and human behavior. Defining a set of plausible futures and constructing a digital twin of the operating environment can create a picture of how different drivers of uncertainty interact with one another. Teams can thus consider a wide range of scenarios not just what will happen if the economy grows at 2 percent or 3 percent, but what will happen if a market in one country crashes while another booms, or if a leading competitor introduces new products at a lower price point or goes into bankruptcy.

**11. Prioritize your company Value Foundation:** Adapting a mindset for complexity means returning to the values of the company and allowing those values to become a filter when making decisions in high pressure situations. Using your values as a filter means less stress, more time and better results. Adopting a complexity mindset will help leaders to make better decisions about current HR challenges, such as: Performance management (especially amongst remote workers); crafting the new HR strategies for the future; developing optimal mental health practices for employees and upskill and reskilling employees to meet future demands.

## Conclusion

The future is uncertain but when is that not the case? Success in business is dependent on our ability to prepare for the future.

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## EMPLOYEE ENGAGEMENT STRATEGIES: A KEY ROLE FOR ORGANIZATION SUCCESS

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### **Abstract**

*An Employee plays an important role in the success and failure of the business. Employee engagement strategies are most efficient activity for the organization. Employees are actively engaged in their work that indicates the success of the business, and the organisations are practising effective employee engagement strategies. Disengagement of the employees leads to low productivity, low commitment, and turnover of the employee, customer dissatisfaction and also it impacts on profitability of the organization. Hence, the current study has been undertaken about various employee engagement drivers that lead to the organizational success and how companies should make the employees engaged. This paper is based on a systematic review of literature on employee engagement through relevant articles. The key findings of this study are: Quality of working environment, pay & benefits, work life balance, communication, customer satisfaction, employee Motivation, quality of training and learning opportunities that helps not only the organization but also the employees to improve their performance by creating a positive and consistent organizational reflection in the market.*

**Key Words:** *Employee Engagement, Organization Performance, Employee Performance.*

### **Introduction**

Present changes in the world and corporate sectors employee engagement are a complex equation that is a sign of unique commitment between work and organization. Employee Engagement has been given high prominence in the last two decades. The challenge is not only recruitment and retention to keep the employee happy or satisfied but also to keep the employee engaged to the assigned roles and tasks (Sathyanarayana, 2017). In spite of conducting several empirical studies leading to the absence of a universal definition and concrete conceptualization, organizations have begun framing strategies for Employee Engagement. Employee engagement is two way communications between employees and employer or organization. It helps to increase the changes of organization success, contributing to organizational and employee performance and productivity. From past one year the scenario of the various sectors has changed a lot. In the year 2020 there is a phenomenal impact on present workplace. From remote working to job losses and uncertain futures, every individual employee had felt the force of the pandemic situations. Most of the Industry trends has been changed and simultaneously employee engagement trends that have emerged in the wake of the worldwide crisis. The industries are working hard to improve employee engagement in the challenging circumstances, the companies forces themselves to survive in market that needs to prioritize employee engagement so that employees can remain emotionally committed to their job. Majority of the research reveals or proven that higher employee engagement leads to productivity, profitability and customer satisfaction.

### **Literature Review**

D. David Winster Praveenraj & K. Subramani and D. Hemanivetha (2020), Improving productivity and organization performance through employee engagement. In this research stated that profit margin and organizational performance is highly impacted by the productivity of skilled operator, executives in the supervisory and Managerial level. This is mainly focuses on how employee engagement is associated with workforce productivity and improved the organizational performance in garment workers in India. Indian garment sectors that the level of employee engagement and the strategies to increase the level of engagement by addressing the inhabits factors. Lisun & Chanchai Bunchapattanasakda (2019), Stated that the influencing factors of employee engagement are divided into three categories namely a) Organization factors (Management style, Job rewards etc,) b) Job factors (Work environment, task characteristics etc,) and c) Individual factors (Physical energies, self conscious etc,) and variables of outcome from employee engagement is mainly focused on

individual performance and organization performance. There are few limitations of this study refers to employee engagement reviews is restricted to individual engagement, not involving team engagement and organization engagement. Blazej Motyka (2018), Presented the result towards link between employee engagement and various performance categories. The author given statement to employee engagement is 'low level of engagement at work is currently one of the major impacts of the organizational economic problem. This study reveals the information or contents of previous literature such as: methods, results, categorization of reviewed studies, scales measuring employee engagement, data sources of employee performance, statistic analysis of studies, results are compared with all the studies, with all these researcher concluded that employee engagement can lead not only for the growth of workers age groups, also reduce the common lack of mutual understanding between regeneration in their approach to work and expectation towards employer.

Sathyanarayana, Sudhindra Gargasha, Lakshmi Bellave (2017), Determinants of employee engagement in Indian IT a sector, this study has been undertaken towards understands the employee engagement practices. The author's reveals that there are few factors directly influence the effective employee engagement practices in IT sectors at Bangalore city such as; supervision, quality work environment, reliability of information, communication, quality of information, pay and benefits, appraisals process and level of satisfaction and organizational commitment etc.,. The results reveals the seven factors classified on the basis of impact level toward organizational success such as; organizational commitment, appraisal system, quality of working environment, reliability, supervision, pay and benefits, communication. These prominent factors play a vital role in the employee engagement practices in IT sector. Arti Chandani, Mita Mehta, Akanksha Mall and VashweeKhokhar (2016), Factors affecting Employee Engagement this study based on previous literatures review, the purpose of this study is to know the how employee engagement factors influencing on employee retention and employee performance in the organization. The Researcher identified few factors such as: career development, Leadership, company policies and practices, ethical behaviour, empowerment, fair treatment performance appraisal, pay and benefits, health and safety, communication, family friendliness, emotional factors, personality factors etc.,. The major findings from the paper, is people who worked in political environment forms negative emotion which impact on Learning and development, negative job outcome, lower organization commitment and greater turnover. Leadership factors also impact on employee engagement. It was concluded that effective employee engagement practices or strategies helps to reduce employee turnover, innovation, opportunity for thinking, enhancing employee decision making and commitment. The data was observed that each intervention leads to reform the soft and hard creativity. Bijaya Kumar Sundaray (2011), Employee engagement a drives the organizational effectiveness, in this paper author expressed the level of commitment and involvement of an employee towards the organization and its value. Employee engagement develops positive attitude among the employees towards the organization. This study focuses on various factors which leads to employee engagement and what organization should do make employees engaged. Proper attention on engagement strategies will increase the organizational effectiveness in terms of higher productivity, profits, quality, customer satisfaction, employee retention and increased adaptability.

### **Methodology**

This paper is based on qualitative secondary research, exploratory in nature, a systematic review of literature on employee engagement, which Emphasizes specifically on drivers of employee engagement namely communication, Remote work policies, feedback, Emotions, Pay & benefits, Career growth opportunities and quality of working environment which have an impact on performance of the employee & organization success.

### **Employee Engagement Strategies for organization Success**

Many workers have lost their jobs; essential employees have faced new standard operating procedures and restrictions to protect the health and well being of workers and customers. Many organizations moved their entire workforce to temporary remote work and telecommuting. This global market trends forced business to make drastic changes to the workplace. There is few Employee engagement strategies helps to the organization success and employee performance.



**1. Employee Emotions:** the data shows that there is a clear relationship between emotional culture and employee engagement. There are different ways to keep engaged employees and organization such as: understanding and assessing your emotional culture, Decreasing employee stress and anxiety, coaching your people leaders to deal with turbulent employee emotions.

**2. Remote Working Policies:** The tentative situation changes the workplace. Majority of the companies have decided to move partially or fully to a remote working model as a response to the HR leaders. HR leaders have opportunity to enhance the working policies and make them more flexible. It also gives them a chance to test the success of different working conditions. Nowadays, employees who haven't worked from home before, this will be a challenge. As an HR leader, you need to support people and ensures the revisions in the policies are clear and being followed by employees.

**3. Communication:** Leaders learnt a lot from companies which have been handling remote workers before this situation arise. The best of these companies are able to lead and motivate people even without being at the same establishment. They keep them motivated and engage them in their work by using incentives, training and most importantly communication.

**4. Career Growth Opportunities:** With lack of opportunities in career development being the major one reason why employees leave the organizations; employers are identifying lot of alternatives, rewards as an essential component of a competitive total employee's rewards strategy. Even in uncertain times, managers shouldn't minimize the importance of supporting their employee's career advancement. If they do, company face the loss of talented workers and these dispirited employees to competitors once the job market reenergizes.

**5. Encourage Peer to Peer Feedback:** It is the most important aspects of HR. when peers spend time on giving and receiving feedback from each other, it helps them build an engaging work culture. Peer feedback is different from the feedback received from managers because peers usually comfortable around their peers and it allows them to observe the performance of their own teammates and effectively communicate it to them.

**6. Pay & Benefits:** Employer can use targeted incentives and benefits to vastly improve employee happiness and engagement in most workplace. Along with program to reduce tension and poor management practices, incentives and benefits can be used to boost employee morale and engagement at work.

**7. Quality of Working Environment:** Work environment is not only need to be conducive but also needs to be free for employees to contribute their effort towards the organization. Quality of work environment is one of the aspects of Quality of work life movement. Organization must involve the employees in all levels to participate actively and efficiently in shaping the organization's environment, methods and outcome. This is a phrase that covers a employee feelings in every dimension of work including working conditions, economic rewards and benefits, security, physical environment, interpersonal relationship.

**Conclusion:** Employee engagement is quickly becoming one of the most important indicators in gauging work happiness. Employees are toady looking for more than just 9 to 5 jobs. They want to be involved in their work with enthusiastic about the organization they work for and committed to their fellow workers. Individual Employees is requiring to be adopting in a working environment which will energize them to exhibit behavior that organizations are looking for. An organization has to promote the strategies which have a positive outcome on employee engagement through every business activity that they do. Employee engagements strategies are continuously play a key role for organization accomplishment to achieve the goals and also how HR professionals should keep refining the existing workforce practices in different condition of the business.



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## EMPLOYEE RETENTION STRATEGIES IN FOOD INDUSTRY

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### **Abstract**

*Food industry offers perishable goods hence there is a need to retain the employees with implementing retention strategies. The findings revealed that high employee turnover is due to part time employment. The purpose of this study is to examine the how different strategies are helps to retain the employees in the industry. Data we are collected Semi-structured, telephonic interviews, recruiting materials, retention activities, policy manuals and overall termination reports. Employees are the asset of all types of an organization. Retaining employees in food industry is a big challenge. The biggest challenge that organizations are facing today is not only managing these resources but also retaining them. This paper concludes that the application of retention strategies in food industry how it can be successful by implementing these strategies in the whole industry. Findings might contribute to social change by helping managers in developing strategies for improving employee retention and in turn, financial performance.*

**Key Words:** *Employee, Retention, strategies, Food industry*

### **Introduction**

There are a number of reasons why an employee leaves their employer. No matter what the industry, an increase in pay elsewhere can be incentive enough for an employee to jump ship. Likewise, a title bump can be an attractive offer for an employee. When it comes to foodservice though, the industry is tasked with dealing with even more issues and variables when it comes to employee retention. For some, restaurant jobs are seen as ‘gigs’, not careers and therefore attract more transient, temporary workers. This means that oftentimes, restaurants are left in the lurch with a shortage of staff (this can be especially challenging depending on the season). Additionally, the long hours inherent to the business aren’t for everyone. And certainly, the work can be hard on an employee’s body. Many of these are factors that a restaurant owner can’t control. However, there are internal factors that food and beverage operators *can* control which can help you as a leader retain your employees. While you may not be able to provide a title bump to every line cook, you can make small and large adjustments that create a better work environment. By measuring and monitoring employee happiness, restaurants and foodservice businesses can make changes based on instant employee feedback and then quickly adapt to encourage and increase retention. **“A Happy Employee is a productive Worker”**

### **Literature Review**

A literature review is an evaluative report of studies found in the literature related to the selected area. The review describes, summarizes, evaluates and clarifies the literature. It gives a theoretical basis for the research and helps to determine the nature of the research. The attitude of employees in any particular working environment exhibits how they perceive various organizational practices. The quitting and switching intention among employees reflects something discouraging in organizational practices. Employee turnover is a multi-faceted problem that affects organizations across many industries. The hospitality industry faces a unique problem because its turnover rate is nearly twice that of other industries. Consequently, current literature discusses the many causes of turnover, in addition to the costs associated with losing employees. Further research found that many organizations are



attempting to curb these high rates with human resource strategies aimed at reducing turnover and improving employee relations.

The employee's turnover affects the hospitality industry impeding company competitiveness and brand consistency. Many operators lack robust strategic plan to retain their critical employees whilst others are unprepared for the intensification of staff turnover that is likely to accompany economic recovery. The report also demonstrated is more inexpensive to prepare, train and retain employee, as their engagement with the company correlates high levels of customer satisfaction and retention, corporate performance and brand consistency. Sugandha Mahajan Analyzing the impact of Attrition rates in hospitality Industry in her study she states that in hospitality industry staff turnover is generally acknowledged high, especially in comparison with other industries. Most people believe those in the hospitality industry work long hours and earn low income have a very little chance for advancement of career. The industry actually offers a wide selection of jobs with flexible hours. Hotels and restaurants are attempting to change their image by showing perspective employees the many benefits being offered, which include training programs and chance for the within the company. The few things are important when planning the employee retention in hospitality industry. Development initiatives, compensation, rewards and recognition are important.

Strategies for Employee Retention in Small Hospitality Businesses by Olympia Kyriakidou states that successful management of employee and employer relations is vital and directly impacts on all aspects of the business and most importantly the bottom line. Hospitality organizations, typically known for high levels of staff turnover, have increasingly acknowledged just how costly it is to replace an employee rather than retain them. Retaining employees entails meeting employees' job expectations. In order to achieve this, companies need to stay current with employee job expectations for 'new hire' and existing staff and with the degree to which they are meeting these expectations. This is as important for seasonal as for fulltime staff. Big hotels chains such as Oberoi, Taj, Jaypee and ITC prefer to rely on in house courses and training to cope with the problem. ITC Hotels, said its Chief Operating Officer Dipak Haksar, has also introduced monthly career development reviews for discussions and dialogues on talent development, succession planning and career management. Midterm salary revisions and extraordinary pay-raises are among ways the industry should attempt to retain efficient employees.

### **Reasons for Employee Retention**

Unfortunately, many restaurant owners and managers don't give employee retention a second thought. Instead, they simply accept the conventional wisdom that high turnover rates are a fundamental fact in their line of work. As a result of this fatalistic approach, owners and managers simply let the cards fall as they may. This is a gentle way of saying that they simply don't make any concerted effort toward employee retention. Sure, restaurateurs often bend over backwards to keep a talented chef or a handful of other employees, but the most successful businesses are those that work to keep overall turnover low as well. But it's clear that restaurant owners won't put in the effort necessary for long-term employee retention unless they know how they can benefit from it.

**1. Lower Total Payroll Costs:** It goes without saying that high turnover results in higher overall payroll. Increased payroll is the natural outcome of training new people every other week, right? Fortunately, it doesn't have to be this way. Restaurateurs can (and should) implement employee retention programs. If not, they're certain to experience unnecessarily high turnover rates and the increased costs they entail.



**2. Reduced Food Costs:** Think about your chefs and line cooks, for example. Those who are more experienced are less likely to make unnecessary mistakes and waste food. Ditto your prep cooks, servers, and the rest of your staff. On the other hand, better employee retention facilitates the teamwork and communication skills necessary to lowering these costs.

**3. Increased Efficiency:** Efficiency in the restaurant business includes everything from streamlined food prep and low waste to fast tickets times. And you can only increase your restaurant's overall efficiency by hiring and keeping good people. Simply put, continuity makes for happy employees and a better dining experience for your customers.

**4. Enhanced Problem Solving Skills and Creativity:** By the time a given employee has worked for you a while, they've experienced and solved just about every conceivable problem. And while this doesn't mean novel problems will never arise, an experienced staff can adapt to these new difficulties as well. The opposite is true with the inexperience that results from high turnover.

**5. Positive Work Culture:** Many people associate restaurants with a toxic work environment. And while this is often a misconception, restaurant work is both time-sensitive and highly stressful. And when you throw in high turnover, these problems become even worse. It's been proven time and again how important a positive work culture is to business success. One of the keys to a positive work culture is employee retention.

#### **Employee Retention Ideas**

**1. Honesty & Flexibility:** Give employees not only a voice when it comes to scheduling shifts, no one likes being blindsided – give them proper notice when there are shift changes.

**2. Break the Silos:** If your business has multiple departments or levels within the structure, oftentimes we see that employees in one area have no clue about the going-on in a different area. Allowing a day for 'job shadowing' can create a more transparent and cohesive work environment. For example, have your marketing department spend the day in the kitchen to gain a better understanding of the struggles the line cooks may face.

**3. Customer Feedback:** Listen, collect and learn from feedback from customers. Read out the good stuff in front of your team to celebrate and discuss why something went *well*, not only possible improvements.

**4. Transparency:** Zingerman's, a gourmet food business in the U.S., shares sales, costs, revenue, and customer satisfaction from the previous week. Try moving from "keep it a secret" to a mindset of "ask me anything" and get employees involved at a deeper level.

**5. Training:** Get employees to attend training sessions and industry events of their choice, to stay on top of the trade. Alternatively, implement a mentorship program in your business to allow for personal and professional growth.

**6. Get Visual:** Show goals, activities, trends and team progress on boards.

**7. Caring & Sharing:** There is a difference between a food service leader who asks employees to "leave their problems at the door as they enter work", and someone who "employs the whole person". Good leaders provide a calm, communicative, and supportive work atmosphere.



**8. Small Fixes Add Up:** The cash registry has a faulty power supply so it frequently turns itself off, the fridge handle broke 2 months ago... These things might look like small details, but when an employee struggles to open that fridge 20 times in a day, it stops being a small thing.

**9. Social Events:** Organize frequent social events to create a “we” feeling among your teams.

**10. Don’t Underestimate the Simple Stuff:** Sometimes, the simplest acts of kindness in the workplace can mean the world to an employee. Understanding that a waiter needs a quick breather after a particularly tough or rude customer, bringing in coffee and doughnuts for the team, or a simple ‘thanks, good job today’ can be a huge boost for employees. Show them you care.

### Results and Discussions

Employee retention is a process which the employees are remains with the organization for a maximum period of the time until the completion of the project. Employee retention is beneficial for employee as well as organization. Employees today are different. They are getting good opportunities in hand because of wide market. As soon as they felt dissatisfied with the employer or job they switch over to the new job. It is the responsibility of the employer to retain their best employees. A good employer should know how to attract and retain the employees. Major reasons for employee attrition are:

- Honesty & Flexibility
- Break the Silos
- Customer Feedback
- Training
- Caring & Sharing
- Don’t Underestimate the Simple Stuff

### Conclusion

Employee retention strategies aim to keep the employee that the organization wants by satisfying their needs. In the short term, improving employee retention involves attention to such areas as recruitment and selection, induction, training, rewards and benefits, combined with challenging and creative job designs, the business’s continual commitment to providing personal and professional development for all employees, acknowledging the importance of financially rewarding employees, Job enrichment and team-building ,conducting realistic job previews and supporting clear and honest communication to manage expectations, supportive management.

To wrap up, this topic focus on the work is to increase the alertness of the abrasion charge of hotel employees. However, the suggestions in this research work can also be useful to hotel staff. The hotel business is understanding employee lack and all employees need to be worried and treated with the same care and diligence as it is the most precious of resources. Thus, an engaged and satisfied workforce will provide the competitive advantage needed to survive the full effects of the developing demographic shift. The retention of hospitality graduates/employees needs to be monitored to ensure they are addressing this skills gap. There is not one reason that caused hospitality graduates to leave the industry but rather a combination of factors. Large hotels chains prefer to confidence on in house courses and training to cope with the crisis. Final salary reconsideration and extraordinary pay-raises are among ways the industry should attempt to keep capable employees.



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## EMOTIONAL MIRRORING OF EDUCATORS DURING TURBULENCE THROUGH EMOTIONAL INTELLIGENCE

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### Abstract

Educators are the key source for transforming knowledge; it involves a great lot of interpersonal communications & relations with peer groups & student friends. During the journey of teaching educators often mirror the emotions with their colleagues & students in their work station. If the educators are getting glossed over the emotions and get mirrored without realizing its repercussion, it certainly takes them to emotional rollercoaster ride and lands them in directionless situations. Hence researcher's paper addresses the issues educators encounter by mirroring emotions and this can be tackled & overcome by one of the soft skill called emotional intelligence & its practices. Emotional intelligence helps the educators to be resilient and act as one of the biggest strategy to recover during uncertain situations. Thus the research paper highlights the emotional mirroring of educators during turbulence/uncertainties and how it can be handled through emotional intelligence at work place & emotional intelligence importance in overcoming emotional mirroring for better problem free workplace and personal.

**Keywords:** Mirror cells, Emotional mirroring, Human cognition, Self awareness, Empathy, Emotional intelligent, and Resilient.

### Introduction

Emotional mirroring is the behavior by which educators unconsciously mirror the gestures, attitudes, and speech pattern of other individuals. It often occurs in social situations, especially in the workplace, with students while teaching, with close friends and family. Hence by how far emotional mirroring can build positive attitude among the educators is the big question. Though emotional mirroring is a part of self awareness and empathy, help to understand others feeling and thoughts in that particular situations. Emotional intelligence is an important soft skill; it has a direct influence on educator's behavior working in an institution and it is important for educator's career growth. Educators are considered as the main support system in the education system as well as they build the educated nation. They are the main channel through which the knowledge can be reached to the students who are the foundation of society. Educators cannot be effectively successful without possessing proper competency in their profession. The concept of emotional intelligence among educators has been taken attention for decades due to its great importance. Emotional intelligence has two competencies: personal and social competencies, these include five major factors like self awareness, self control, self motivation, empathy and social skills. By considering these two factors like self awareness from personal competency and empathy from social competency we can determine the emotional mirroring of the educators.

Self awareness involves being aware of the self including traits, behavior and feelings. Lewis and Brooks - Gunn experiment suggests that there are two types of self awareness:

- 1. Public Self Awareness:** This emerges when educators are aware of how they appear to others. Such as when giving presentation, delivering content and while having discussion with to their students and educators.
- 2. Private Self Awareness:** This emerges when educators are aware of some aspects of themselves such as seeing their face in the mirror.

Renowned Psychologist Daniel Goleman and Paul Ekman identify three components of empathy:



**1. Cognitive Empathy:** Is all about educator's cognition process that appears in the thinking part of educator's brain. It makes educators think rationally about the situation and hope for positive things to happen in a particular situation.

**2. Emotional Empathy:** Takes place in the feeling part of the brain, if an educator faces an overwhelming situation; unconsciously the other educator also feels the same embarrassment he/she has faced earlier. If this is a new situation, then educators may get overwhelmed by mirroring the emotions.

**3. Compassionate Empathy:** Is about taking appropriate action by combining cognitive empathy and emotional empathy. This compassionate empathy makes the other educator take appropriate action in appropriate situation in helping the other educator who is being suffered from certain issues. As it's said that intelligent mind is a combination of feeling mind and thinking mind and acting out appropriate. This gives a sense of Emotional Intelligence.

Thus the study is based on the self awareness and empathy of emotional intelligence components among educators and how it's reflecting in mirroring the emotions of others (students & educators).

### **Purpose of the Study**

The study investigates the phenomena of emotional intelligence components such as self awareness and empathy among the educators working in schools of Tumkur District and how it's helping in overcoming emotional mirroring issues among educators for having better professional life and their personal life.

### **Objectives of the Study**

1. To study the phenomena related to emotional mirroring through emotional intelligence among educators.
2. To examine the level of self awareness and empathy factors among educators working in schools of Tumkur district, Karnataka.
3. To suggest a model of how to overcome the emotional mirroring issues through: Self Awareness Empathetic Matrix (SAE Matrix).

### **Hypothesis of the Study**

**Hypothesis 1 (H<sub>0</sub>):** There is no significant difference between gender wise for the three components of the EQ among educators.

**Hypothesis 2 (H<sub>0</sub>):** There is no significant difference between emotional maturity and emotional sensitivity of EQ components among educators.

### **Data Collection Method**

**Primary Data:** The primary data is collected through a google form: structured questionnaire developed by Dr. Dalip Singh & Dr. NK Chadha a scale for measuring Emotional Quotient & through internal sources and observations.

**Secondary Data:** The secondary data were collected through books, articles and research journals.

### **Research Methodology**

**Research Design:** A descriptive research design was used for the pilot study by adopting a survey method.

**Sampling Design:** A stratified random sampling method is used. The questionnaire was sent virtually to the educators working in schools of Tumkur District, Karnataka.

**Sampling Unit:** Sampling unit consists of educators working in 8th-grade to 10th-grade schools of the Tumkur district, Karnataka.

**Sampling Size:** As a part of the pilot study total sample size in the present study is 23 educators.

### Data Analysis Method

The data collected from the sample was analyzed by using Pearson's chi-square test in a spreadsheet to test the hypothesis.

### Major Results & Discussions

#### Results & Discussions of Objective 1

The data variables of hypothesis 1 were measured from the respondents as follows and table 1.1 shows the gender wise scores for the three components of the Emotional Quotient (EQ) test.

Table 1.1: Gender Wise Scores of Three Components of Emotional Quotient (EQ)					
Sl. No	Gender	N	Emotional Maturity Score	Emotional Sensitivity Score	Emotional Competency Score
1	Male	11	80.84	89.5	78.4
2	Female	12	76.48	90.41	82
Source: Field Survey and Primary Data of Educators Working in Schools of Tumkur District, Karnataka in the Study Area May 2021					

**Interpretation:** Table 1.1 shows the scores obtained by both male and female educators in three EQ components such as emotional maturity, emotional sensitivity and emotional competency in percentage with respect to the EQ score pattern. The level of Significance is 0.05. Both male and female educators possess different level of emotional maturity, emotional sensitivity and component of Emotional Quotient. Hence there is a significant difference between genders wise for the three components of the EQ among educators. The questionnaire in the present study used for the EQ test is a frame developed by Dr. Dalip Singh & Dr. N K Chadha has 22 situational questions for three components which we have analyzed quantitatively.

Table 1.2: Results of Total EQ Score of all 22 Situations	
EQ Components	Situational Questions
Maturity	4-6-9-11-12-18-21
Sensitivity	2-8-16-17-22
Competency	1-3-5-7-10-13-14-15-19-20
Total EQ Score	All 22 Situations
Source: Field Survey and Primary Data of Educators Working in Schools of Tumkur District, Karnataka in the Study Area May 2021	

The emotional maturity component analyses important aspects such as self awareness, delaying gratification, adaptability and flexibility qualities in educators. The emotional sensitivity component will help us to analyze the understanding threshold of emotional arousal, to know what the trigger factor behind particular emotions was. Empathy is a quality of educators and listening to others without being carried away by their educator's emotions. Sensitivity analyses the interpersonal relations and communicability of emotions. The emotional competency component analyses high self esteem, handling egoism among educators.

#### Results & Discussions of Objective 2

Hypothesis 2 of emotional maturity and emotional sensitivity were analyzed by using the chi-square goodness of fit test and table 1.3 shows the results of chi-square distribution for the two components of EQ.

Table 1.3: Results of chi-square distribution of two components of EQ				
Sl No	Gender	Emotional Maturity	Emotional Sensitivity	Total
1	Male	0.27	0.34	0.61
2	Female	0.26	0.32	0.58
				$\chi^2 = 1.19$
Source: Field Survey and Primary Data of Educators Working in Schools of Tumkur District, Karnataka in the Study Area May 2021				

Table value is at 0.05 level of significance.

**Interpretation:** Table 1.3 shows the calculated value of chi-square for the two components maturity and sensitivity. The degree of freedom,  $df = (r-1)(c-1) = 1$ . The obtained critical value for the above test is  $CV = 3.84$  and  $P\text{-value} = 0.27$ . The obtained  $\chi^2$  value  $<$  Critical Value. Hence, we accept the null hypothesis  $H_0$  there is no significant difference between emotional maturity and emotional sensitivity among educators. Both male and female educators possess the same level of emotional maturity and emotional sensitivity component of Emotional Quotient.

### Results & Discussions of Objective 3

To overcome the emotional mirroring issues of educators the researcher has come with a new model called **Self Awareness Empathetic Matrix (SAE Matrix)**.

#### Self Awareness Empathetic Matrix

The Self Awareness Empathetic Matrix is a technique to overcome emotional mirroring with the help of self awareness and empathy factors of emotional intelligence. The model helps the educators and students for better understanding and positive relationship with each other. The below matrix illustrates the self awareness and empathetic emotions which takes place between educators and their student's friends.

- 1. Says (Open):** The first quadrant is an open area, where educators know about their students and students know about their educators.
- 2. Thinks (Blind Spot):** The second quadrant is a blind spot area, where educators know about their students but students don't know about their educators.
- 3. Does (Hidden):** The third quadrant is a hidden area, where educators don't know about their students but students know about their educators.
- 4. Feels (Unknown):** The fourth quadrant is an unknown area, where both educators and students do not know each other's.

Educators	Students		
		Known	Not Known
	Known	Says (Open)	Thinks (Blind Spot)
	Not Known	Does (Hidden)	Feels (Unknown)

To understand the matrix, let's visualize the classroom setting here educators has assigned some projects to a group of students for the exhibition. Students are excited to carry forward the project. Says quadrant explains where educators know about their students and students know about their educators. Here educators are aware of what their students say and their expectations, as well as students, are also aware of themselves and has proper plan to execute the project. Thinks quadrant explains where educators know about their students but students don't know about their educators. Here educators are aware of their students say and their expectations, but students don't know about educators thought & clarity. Does quadrant explains where educators don't know about their students but students know about their educators. Here educators have no idea or awareness about their student's action but students know their educator's action plan. If they fail to complete the project they are aware of the possible reasons which can be used during the incomplete stage of their project. Feels quadrant says where both educators and students do not know each other's. Here both educators and students are clueless about how



each other feel if they complete the project and winning a good offer in the exhibition. This is a discovery area where both educators and students are unknown about themselves as well as others.

All the issues arise due to unconditional emotions and these emotions can be understood with better perspective. So instead of being carried away by others emotions its always right thing to analyze the situation using the matrix to know the required emotion at required time. This helps the educators to have problem-free workplace and stress free life. Thus, by applying this SAE Matrix in their daily activities educators and students will have a better sense of self awareness and empathy for each other feelings? The matrix can be versatile to other situations even between educators and between students.

### Implications

Emotional maturity emphasis the self awareness part of educators and emotional sensitivity emphasis the empathy part of educators. The data analysis and its interpretation say that emotional maturity and emotional sensitivity has no significant difference between them and can also get another inference that educators both from male and female category have the different level of EQ component especially the maturity and sensitivity part which plays a significant role in developing emotional mirroring. Mirroring the emotions has been affirmed by numerous psychological studies. Emotional mirroring is the social urge of the people to have a successful rapport with fellow beings. But new researches suggest that mirroring may not always lead to positive social outcomes and solution to the problems. Instead, it's better to refrain from those situations because intense emotion tends to precede the worldly things happening at that time.

### Conclusion

Educators as a part of society it's important to have all the components of emotional intelligence. Being in an educational profession having self awareness and empathy will take educators to a higher altitude in life. If someone is having a hard time emotionally, the other may respond to it unconsciously by absorbing their experiences and connecting with them that way. Successful mirroring depends on mirroring the right emotions at the right time for the right reasons.

As we are aware that due to the pandemic situation from the year 2020 till present days all schools were closed across the country and their final assessments were being called off. Private schools immediately started online classes for the academic year 2020-2021. The assurance to remunerate 20% of the salaries to all private educators was not fulfilled, leading many educators to choose odd jobs to satisfy their basic needs which were stressful, also brought down their self-esteem. Most of the educators lost their jobs, vidyagama was started by the school educators, they visited the student's localities and taught them in the open ground to maintain the safety rules, in spite of following the safety rules many teachers were infected by Covid 19 and situation turned worst. Many educators lost their lives to Covid infection so the vidyagama method came to halt. Even today all educators are busy with their academic work virtually by coaching their students to excel in their board exams. Educators are facing work stress, job insecurity, high and low financially, and even grieving situations.

During such times it's very important to understand others feeling and emotions without carried away by their own similar past emotions. There is a drastic increase in job enlargement of the educators who are performing their duties bravely to handle the worlds sophisticated thing i.e., young minds. If the educator stays with positive thoughts & emotions they will acquire resilient traits which are the needed trait for the nation. Resilient educators can make their students resilient who are the future of any nation.

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## REVIEWING RELATIONSHIP BETWEEN CREDIT RATING AND CAPITAL STRUCTURE: A STUDY ON SELECT CAPITAL STRUCTURE THEORIES AND EMPIRICAL STUDIES ON CREDIT RATING

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### **Abstract**

*The present study tries to examine the existing literature related to credit rating and its impact on capital structure choice. The aim of the study was to look over the empirical works so far done upon credit rating and capital structure, how credit rating affects capital structure decisions. An ideal capital structure represents a judicious mix of debt and equity of that results in enhanced firm value.*

### **Purpose of the Study**

*Deciding capital structure has become a central necessity of any firm's funding decisions from the last couple of years. Firms in Asia, Europe and globally strengthen together their capital structure by reducing the leverage and liquidity risk arose due to financial crisis. Due to globalization of economy and other macro environment factors exist as impulse for correction of finance, credit spreads are still at testable and firms are focusing on refinancing its risks by increasing cash flows to manage its financial resources and also to evaluate securities exchange. All these changes made credit rating necessary to measure the financial constraints.*

### **Sources of Data and Methodology**

*Present study is review based and secondary data is used with well defined Inclusion and Exclusion criteria.*

- Inclusion criteria is concerned with all the literature related to credit rating and capital structure and only research works available in English were used.*
- Exclusion criteria ignores the literature works which are available in other languages are excluded.*

*The research articles published in reputed journals like Emerald insights, international journals, books, online sources were used to collect information.*

### **Results**

*The results of the study revealed that costs and benefits of credit rating have a decisive role upon capital structure choices. Hence, financial managers, policy makers and investors should consider credit rating as one of the important scale or parameter for financing and funding activities.*

**Key words:** *Credit rating, Capital Structure, Globalization, Leverage, Liquidity risk, Cash flows.*

### **Introduction**

Financing decisions of the firm's are majorly concerned with formulation and designing of capital structure. Capital structure represents the proportion of debt and equity in the total capital of firm financing. The term capital structure includes owner's funds and borrowed funds from outsiders. The capital structure decision is considered as a significant decision to the firm, the optimum capital structure minimizes the overall cost of capital and maximizes the firm value. There has been ample of discussions in academic literature around which factors affecting capital structure choice. Credit rating has come up to serve with a decisive role in today's capital markets and apprise market participants about creditworthiness of firms. Gonzalez et.al (2004) identified that achieving

advantageous credit rating is frequently incorporated into firms objectives and becomes an integral part of firm capital structure designing.

The firms raise their funds in the form of Equity (ownership capital) and Debt (Creditor ship capital) popularly called as borrowed funds. The borrowed capital is financed by issue of debentures, bonds, loans from financial institutions or accepting deposits from general public. From the view of financial experts borrowed capital is more advantageous over ownership funds. From investors view it is superior to invest in debentures and bonds compared with bank deposits. Moreover, the debenture issue has become very important in the light of tax concessions and other provisions.

In the era of post-liberalization the expansion of financing activities in corporate sector, the firms are rushing towards capital markets to raise their fund requirements. So, the Corporate are devising new kinds of financial instruments for raising their funds by attracting investors. The new instruments used by firms are so complex that the common investors cannot judge the safety, security and risk involved in such financial instruments. Again the investors are not so expertise and intelligent enough to assess the creditworthiness, financial standing and operational efficiency of firms in which they are investing. These challenges experienced by investors have given way for the origin of credit rating agencies in the financial system of economies.

“Credit rating is an opinion on the future ability and legal obligation of the issuer to make timely payments for the principal and interest on specific fixed income security. The rating measures the probability that issuer will default on the security over its life, which depending on the instrument may be a matter of day to 30 years or more, in addition the long term ratings incorporate an assessment of the expected monetary loss should a default occur”- Moody’s.

At global level the emergence of credit rating system was traced back in the year 1909 by John Moody the founder of Moody’s investor services, it was the first rating of baonds by an expert, the second agency was the Standards and Poor (SLP) in 1916. These institutions are very strong and functioning independently and impartially there ratings has gained significant importance and greater value among investors.

The credit rating services was traced in India in 1988 with the establishment of CRISIL (credit rating information services of India Ltd.) the prominent credit rating institutions in India Includes ICRA (1991), Fitch ratings private ltd, CARE (1993), SMERA (2011) known as Acuite ratings and research, Brick work ratings India private ltd, India ratings and research private ltd, infometrics valuation and rating private ltd.

Credit ratings are considered as important for capital structure choices helps the firms in providing discrete costs and benefits associated with different ratings. Kisgen (2006) has provided first empirical evidence that credit rating directly affects capital structure decisions of firm in US markets during the period 1986 to 2001. In his research work it was found that firms with credit rating upgrade or down grade issued less debt relative to net equity as a percentage of total assets than firms not near to credit rating changes, findings of the study were inconsistent with traditional capital structure theories, as the assumptions does not included in impact of credit rating on capital structure choices.

Graham and Harvey (2001) Found that credit ratings are the major concern after attainment of financial flexibility of firms after deciding firms to issue more debt, they described that 51.7% of executives assert that credit ratings are very crucial and significant in determination of debt and equity in their capital structure of the firm. They



include that credit rating ranks higher than other factors highlighted in capital structure theories like tax advantage of interest deduction, size of the firm.

In this paper the researcher tries to look over the theoretical and empirical works done so far on capital structure and credit rating and also to how credit rating affects capital structure of the firm. The objectives of the study were presented below:

1. To review the relationship between capital structure theories and credit rating.
2. To look over the empirical works carried on credit rating and its impact on capital structure decisions of the firms.

#### **Sources of Data:**

Peer reviewed articles from emerald and other reputed journals, e-sources, books, working papers were used to collect information related to credit rating and capital structure choices.

#### **Inclusion Criteria:**

The theoretical and empirical works related to capital structure and credit ratings, only articles available in English were included.

#### **Exclusion criteria:**

The works that are available in other languages are excluded from the study.

#### **Review of literature on relationship between capital structure theories and credit ratings**

The seminal work done by Modigliani and Miller (1958) leads to development of capital structure theories. The first theory of Modigliani and Miller explained about firm capital structure choice and concluded with certain selective assumptions that firm value is independent of its capital structure. However, the realization of tax advantages of debt finance led Modigliani and Miller (1963) to confine that the capital structure mix is pertinent to the total value of firm, as the value of capital geared firms is high in comparison with non-gear firms in the similar risk class due to tax deduction on interest rates.

The assumptions of Modigliani and Miller 1958 does not hold good in ideal markets as the markets are subjected to imperfections (Kraus and Litzenberg, 1973) hence it is necessary to loose some of the assumptions in order to come about a theoretical frame work that explains better about real practices in the market. Thus the two main theories have been emerged i.e Trade-off theory and pecking order theory (Myers and Majluf, 1984).

The trade-off theory assumes that there exist a strong inverse correlation between financial leverage and profitability. In general, high profit means low debts but the static trade-off theory explains predicts opposite relationship higher profits implies more amount available for debt service and more tax shields to income. According to Myers and Majluf the theory sounds in theory but in ideal market situations to avoid financial distress and bankruptcy situations. Myers (1984) the theory holds that firm in order to attain optimum capital structure that maximizes the total market value which helps firms to trade-off the value of the value of interest taxes shields against transaction costs and bankruptcy costs. The trade-off theory offsets the cost of possible financial distress (Kronwald, 2009). Maximization of firm value will systematically adjust their leverage to reach the target debt ratio below optimum level, the firm will issue more debt and vice-versa (Banerjee et.al, 2004 and Flannery et.al, 2006).

The pecking order theory developed by Myers in 1984 according to the theory, a firm does not have any specific or particular target optimal capital structure. The theory suggests that firm capital structure is more dependent on internal cash flows, cash dividend payments and acceptable investment opportunities. The firms will prefer to use internally generated funds rather than external sources of finance. The pecking order theory of securities from safe to risky debt and finally equity as a last option. Due to asymmetric information firm prefer for internally generated funds over external finance and debt was against equity (1984, 2001 Myers, Chang 1999, Frank and Goyal, 2001, Kronwald (2009) assumes that the problem arose due to managers have incentives to make use of private information to issue new shares when these shares overpriced and investors will consider the over-pricing of securities which leads to demand for higher risk premium hence, cost of equity will increases so debt has been preferred. Firms will increase the debt proportion when investments exceed internal capital and vice-versa (Frank and Goyal 2003) Ali and Javid (2015) presumed that credit ratings help the firms to have better access to capital at lowest cost. The traditional capital structure theories doesn't consider the information provided by credit rating agencies therefore, important factors related to capital markets, access to external finance and financial distress has been ignored. Kisgen (2006), opines that credit rating is an important factor that has an impact on capital structure decisions because of cost and benefits related to credit rating levels. Since costs and benefits are discrete applicable to all firms within a level of board rating irrespective of mark rating and the performance level of individual firm. Hence, firm with close credit rating upgrade will issue less debt to realize benefits of upgrade, which necessitate the lower costs of external finance and extensive access to external finance. However, a firm closer to downgrade credit rating will try to elude by issuing less debt to keep away from higher cost of capital, restricted access to capital markets and negative signals linked with credit ratings down grade. Kisgen (2006) has empirically examined the impact of credit ratings on capital structure decisions. The results of the study revealed that firms with close credit ratings change issue approximately 1.0 percent less debt relative to net equity and firms considers board rating changes for instance, A to BBB and those ratings are subjected to regulations concerned with rating boards. Kemper and Rao (2013) assert that reduction in debt issuance highly connected with lack of access to debt markets than a responsive decision to decreased debt issue. The authors did not found justification for CR-CS model forecast firms with financial risk grade limit would be exclusively cautious about their credit ratings which affect capital structure choices of the firms. They suggest that firms with access to capital markets, firm access to commercial paper markets and firms that have more opportunities for growth, CR-CS model doesn't fit in such cases. Huang and Shen (2015) found that capital structure changes can be done more rapidly in developed countries with financial and supportive legal environment than other nations, irrespective of upgrade or downgrade credit ratings experienced by the firms. Therefore, the authors assert that credit rating does not plays slighter pivotal role in capital structure changes of firm than the financial development and legal, institutional environments in certain nations. They concluded the study with certain remarks a change in credit rating has asymmetric effect on capital structure, firms would modify the leverage ratio after down grade ratings or upgrade ratings.

Baghai et.al(2014) opines credit ratings have an impact on firm and allow the suitable returns on the instruments with respect to the firm's default risk level. Credit ratings downgrade or upgrade over certain financial instruments such as bonds, commercial papers may add on or tear down the value of an asset. In such cases firms may expect changes in the ratings considering equity issue against debt to avoid additional costs result in low rating or capitalization of asset due to upgrade. Rogers et.al (2016) A credit rating agencies have access to variety of information related to capital expenditure, dividend decisions and business decisions which has not provided to investors with extensive information which helps the agencies in determining the financial emergencies of a firm. Sajjad and Zakaria (2018) has stated that credit ratings are viewed as an intermediary to firm's default. Credit

ratings will depend on individual and investors during the valuation of firm's financial instruments offered. Ratings stimulates the lending because the rating encompass non-public information provided by firm to the rating agencies such decisions will affect investor perception and affect capital structure choices of the firm.

### Findings of the study

The findings suggest that credit rating is considered as a major determinant in deciding the capital structure choices of firm. From the view point of traditional capital structure theories such as pecking order theory and trade-off theory. The financial managers aim at reaching investment grades which leads to lower debt issues. If the investment grades reached again managers will increase the proportion of debt issues if the managers aims at attainment of target rating grades will use their managerial judgment that interpret into capital structure choice of firm and credit rating agencies will benefitted from managerial judgment as an integral part of credit rating process. Hence, the firms should consider while designing and formulation of firm's capital structure decision.

### Conclusion

Credit ratings help the firm's in managerial decision making as stated in trade-off theory firms should consider the benefits of costs and ratings over benefits of debt, the firms have an access to capital markets and debt, not all rated firm's act accordingly with trade-off theory. The trade-off theory supports the assumption firm's with high risk were low rated and have low leverage ratio whereas, low risk firms have high ratings and also maintain high leverage ratio in their capital structure. It was found that high and low rated firms prefer low leverage ratio in their capital structure which considers the costs and benefits associated with rating levels.

Pecking order theory suggests that firms have benefits and costs related with equity as compared to debt. Grade or rating implications are material for firms and make changes in their capital structure choices and also firm's ignore pecking order theory ,firms may issue equity instead of debt or vice-versa.

The present study suggests that firm should view credit rating as an important factor while making capital structure decisions. Credit ratings have a significant impact on cost of capital, investment process, access to information, access to capital markets and value of firm. There was no consensus among the research findings. Though there are few disagreement with results of previous study results ratings help the firms, investor's and Management as well.

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## A STUDY OF UNRAVELING TRUTH OF STRESS MANAGEMENT AS A RECOVERING STRATEGY IN UNCERTAIN TIMES AMONGST EMPLOYEES OF RETAIL SECTORS

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### Abstract

Managing stress has become the biggest challenge for any corporate world especially for the sales staff of retail sectors and it is very impactful during uncertain times, wherein, stress leads to absenteeism, lower productivity, lower morale and high turnover amongst the sales staffs of retail sectors. These issues at any uncertain time becomes the major challenge for any retail sectors and also for its stakeholders, hence the topic has to be addressed in order make the basic functions smooth. With the proper reviews of literature it is been identified that sales staffs of retail sectors feels that;

**Variables:** Work-life balance, work environment, pay & benefits, competitive pressure and working hours are the major reasons for their stress at workplace. An effective stress management amongst the sales staffs is considered as a basic recovery strategy in the retail sectors to overcome the problems by even considering the uncertain situations. Hence the research paper attempts to study the factors influencing effective stress management amongst sales staffs of retail sectors.

**Research Methodology:** Hypothesis are stated for the various variables selected and analyzed to prove or disproving the same without any errors. The designed questionnaire includes demographic factors and stress management related close ended structured questionnaire in the form of 5 points Likert's scale.

**Data Collection and Sampling:** The primary data are collected from 85 sales staffs of different retail sectors of Mysore city by using convenient sampling technique; one of the non- probability sampling

**Analysis and Interpretation:** Primary objective of the research is to understand the various factors causing stress amongst the individual sales staffs of retail sectors and to study the various factors influencing effective stress management. The analysis of the research work is carried out with the help of SPSS software, wherein, descriptive statistics is used to describe the nature of the data. Factor analysis is used to check the commonalities and homogeneous grouping of the factors amongst the variables. Reliability test are used to understand how reliable the data grouping. The statistical tools like regression are used to find the relationships between the factors.

**Results:** From this research it is found that all the variables have a significant relationship among the variables.

**Keywords:** Stress management, Strategies, Retail sectors, Work life balance, Work environment, Pay & benefits, Competitive pressure, work hours.

### Introduction

As from the existence of mankind individual's experiences lot of stress in their lives due to various reasons which are unavoidable most of the time. The main reason behind getting stressed and low in their life activity is because of various reasons as it keeps on varying from one individual to the other. On the other hand if that stress is not handled properly with regular balance then it could lead to major health problems. By, this it's very much required and important to understand how stress affects individuals and their ability hence it is important to learn effective stress management techniques so that it helps in handling stress and make stress to work for us rather than against us. Basically stress is any individual's thought and body's response to changes in life and involves continuous

change that covers where people changing locations from living place to work each morning and a required adapting to major life changes like marriage, divorce, or death of a loved one, missing the peaceful time to be spent with loved once and these things leads to lot of stress. By keeping above things in mind to understand the reality and to move on is very much an hard task, but to be sustain enough at situations create a path way to come out of stress and individuals can manage stress.

Even though the various studies and beliefs states that stress is a causal and affects mental, emotional, physical, behavioral and spiritual stability and it is agreed that stress is our believes of the various situation or circumstance that take place in our life in the existing environment. In general, things that influences stress to us might not even merit a same thing to happen to others and also our stress could also disturb the other co-worker too. Real or imagined, thoughts of stress are too deeply grounded in feelings of fear or anger or some time frustration. Tension can as easily come from boredom as from work overload. Worksite stress, so prevalent in today's culture, can be offset by using effective stress management skills on a regular basis. In thoughts not each and every stress are bad and influences to go against.

### Literature Review

**(Sheena Johnson et al, 2016):** in their paper titled the experience of work-related stress across occupations says, to analyse the comparison between the experience of occupational stress across a huge and well diverse set of occupations. The conceptual variables considered for the study are work relationships of employees, commitment of the organization to the employee job security, resources and various communication, work-life balance, pay and other benefits, physical and mental health, psychological thoughts and their well-being, work commitment of the employee to the organization. **(Liza et al, 2018):** in their paper about the stress management techniques states that according to who whom takes care about the health of individual employees. The study also states how the stress causes a significant problem over a period of time and which affects both physical as well as the mental health of any individual. **(NasrinArshadi et al, 2018):** in their paper on the association of job stress with respect to the employees quitting the organization and which also affect the performance of individuals. The moderating role stated due to OBSE says, the objectives of this study is to investigate the relationship of variable job stress with employee turnover intention and which also affect the job performance considering the various moderating role of organization-based self-esteem (OBSE). **(Les Worrall et al, 2019):** in their paper on the stress on executives is different from various industrial sectors that includes structures and sizes of business says, the study and which provides the information that gives clarity on how well a regional economy is performing, about the dynamics of change and about emerging problems are critical to the effective planning of that regional economy. **(UmeshHolani et al, 2019):** in their paper on stress that correlate of job performance due to increase in competition employees are also expected to work in uncertain environment it is hard for them to find out what is expected out of them. Thus, result is increase in mental pressure to develop and standardize a measure to evaluate stress and job performance.

### Need for the Study

Managing stress is the biggest problem for any individual and for the organization, wherein, stress leads to absenteeism, lower productivity, lower morale and high turnover among the employees. Hence the study helps to identify the factors that are responsible for managing stress and also it is an attempt to focus on the factors that helps for effective stress management amongst the sales staffs of selected retail sectors in Mysore city.

### Objectives of the Study

1. To identify the key factors that affects the stress management amongst sales staffs.
2. To analyse the relationship between the variables work-life balance, work environment, pay and benefits, competitive pressure and work hours with stress management.
3. To advocate the effectiveness of key factors.

### Hypothesis of the Study

**Hypothesis 1 (H0):** Work life balance (WLB) WLB (X1) as no influence on the stress management (Y)

**Hypothesis 2 (H0):** Work environment (WE) WE (X2) as no influence on the stress management (Y)

**Hypothesis 3 (H0):** Pay and benefits (PB) PB (X3) as no influence on the stress management (Y)

**Hypothesis 4 (H0):** Competitive pressure (CP) CP (X4) as no influence on the stress management (Y)

**Hypothesis 5 (H0):** Work hours (WH) WH (X5) as no influence on the stress management (Y)

### Research Design and Methodology

#### Independent and Dependent Variables Identified

A1. Work life balance (X1) A2. Work environment (X2) A3. Pay and benefits (X3) A4. Competitive pressure (X4) A5. Work hours (X5). B. Stress management (Y)

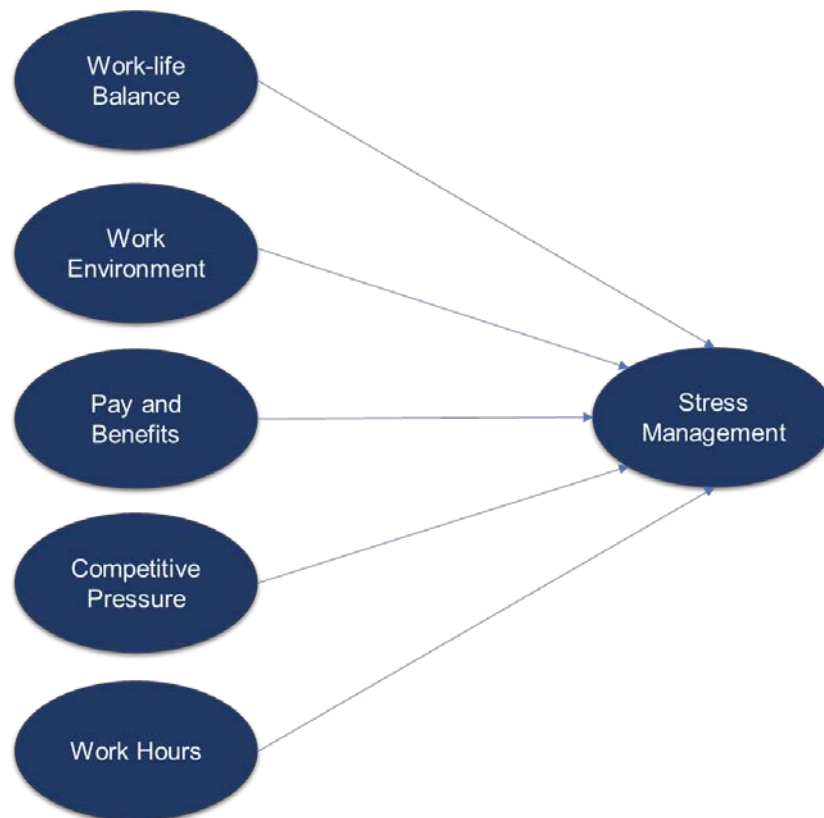
### Data Collection and Sampling

This study is carried out using primary data collected through a structured questionnaire which forms the basis of data collection from the sales staffs of different retail sectors of Mysore city. The data is been collected from 85 respondents by using one of the non- probability technique called convenience sampling.

### Statistical Tools Used

Statistical tools used are descriptive statistics, factor analysis, reliability analysis, regression analysis & correlation analysis.

### Conceptual Model



**Flow Chart 1.1: Working Model**

## Data Analysis and Interpretation

DS					
	Var	Skew		Kurtosis	
	Stats	Stats	Std.	Stats	Std.
SM1	1.597	1.516	.198	1.065	.394
SM2	1.852	.337	.198	-	.394
SM3	1.190	1.337	.198	1.246	.394
SM4	1.250	.838	.198	-.032	.394
SM5	1.262	1.431	.198	1.360	.394
WLB1	1.312	1.670	.198	1.829	.394
WLB2	1.943	.054	.198	-	.394
WLB3	1.752	.237	.198	-	.394
WLB4	1.790	.539	.198	-.487	.394
WLB5	1.805	.645	.198	-.281	.394
WE1	1.580	.566	.198	-.626	.394
WE2	1.406	.720	.198	-.287	.394
WE3	1.489	.622	.198	-.482	.394
WE4	1.580	.657	.198	-.481	.394
WE5	1.348	.466	.198	-.440	.394
PB1	1.640	.409	.198	-.882	.394
PB2	1.214	.403	.198	-.325	.394
PB3	1.400	.436	.198	-.664	.394
PB4	1.460	.200	.198	-.770	.394
PB5	1.486	.310	.198	-.742	.394
CP1	1.637	.298	.198	-.991	.394
CP2	1.508	.556	.198	-.641	.394
CP3	1.244	.438	.198	-.541	.394
CP4	1.409	.702	.198	-.397	.394
CP5	1.131	.594	.198	-.198	.394
WH1	1.365	.552	.198	-.432	.394
WH2	1.286	.471	.198	-.513	.394
WH3	1.732	.340	.198	-	.394
WH4	1.633	.214	.198	-.947	.394
WH5	1.664	.661	.198	-.620	.394
Age	1.617	.498	.198	-	.394
Gender	.221	.747	.198	-	.394
Marital	.251	.135	.198	-	.394
Income	1.827	-.489	.198	-.877	.394
Qualification	.433	-.014	.198	-.191	.394

**Table 1.1: Descriptive Statistics**

**Source: Field Survey and Primary Data of Sales Staffs Working in Selected Retail Sectors of Mysore City, Karnataka in the Study Area May 2021**

From the above table 1.1 it demonstrates that, the value of kurtosis is less than 11 and the value of skewness is less than 3. Hence the data gathered is normalized and valid enough to carry out further. The value of variance states the positive or negative dispersion of the data collected from the mean value.

#### Factor Analysis of Variable Stress Management

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling		.798
Bartlett's Test of Sphericity	Approx. Chi-Square	238.102
	Df	6
	Sig.	.000

**Table 1.2: KMO Value for Stress Management**

**Source: Field Survey and Primary Data of Sales Staffs Working in Selected Retail Sectors of Mysore City, Karnataka in the Study Area May 2021**

Factor analysis is carried out to determine the KMO value of dependent and independent variable 0.798 and 0.837 respectively, showing the grouping of variable is valid enough to carry out the further analysis with the significance value of 0.000 with Df 6 and 10 respectively.

#### Factor Analysis of Independent Variable

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling		.837
Bartlett's Test of Sphericity	Approx. Chi-Square	316.048
	Df	10
	Sig.	.000

**Table 1.3: KMO Value for Independent Variable**

**Source: Field Survey and Primary Data of Sales Staffs Working in Selected Retail Sectors of Mysore City, Karnataka in the Study Area May 2021**

#### Rotated Component of Independent Variables

	Component				
	WLB	CP	PB	WH	WE
WLB1	.737				
WLB5	.715				
PB1	.711				
WLB2	.697				
PB5	.653				
WE1	.618				

WLB3	.564				
WLB4	.545				
CP5		.755			
PB4		.674			
CP1		.644			
WE2		.608			
CP4		.597			
CP3		.578			
WH1		.574			
CP2		.531			
WH5		.483			
WH2			.684		
PB2			.664		
WE5			.621		
WH6			.551		
PB1			.476		
WH3				.790	
WLB1				.785	
WE5				.544	
WE3					.658
WE4					.592
WH4					.576

**Table 1.4: Rotated Component Matrix of Independent Variable**

**Source: Field Survey and Primary Data of Sales Staffs Working in Selected Retail Sectors of Mysore City, Karnataka in the Study Area May 2021**

RCM demonstrates the homogeneous grouping of factors under the various variables selected in this study. The above grouping is said to be valid and it is further tested to check their reliability by using reliability statistics.

#### Reliability Results

Factors	Cronbach's constant	Number of Items
Stress Management	.780	4
Work Life Balance	.891	8
Work Environment	.798	3
Pay and Benefits	.823	5
Competitive Pressure	.869	9
Work Hours	.748	3

### Table 5: Reliability Statistics Results

**Source: Field Survey and Primary Data of Sales Staffs Working in Selected Retail Sectors of Mysore City, Karnataka in the Study Area May 2021**

The above analysis states the value of 'Cronbach's Alpha' which helps to understand internal consistency related to factor grouping. From the above table of reliability statistics, it shows that all the factors that are grouped in rotated component matrix is greater than 0.7 i.e., 70%, it can be stated that the homogenous grouping formed in rotated component matrix the factor grouping by overcoming or eliminating the underlying factors is valid and useful for the further analysis.

### Regression Analysis Results

Model	Std coefficients(Beta)	T	Sig
1. Work Life Balance	.810	1.625	.004
2. Work Environment	.788	6.921	.000
3. Pay and Benefits	.764	4.903	.000
4. Competitive Pressure	.489	2.231	.002
5. Work Hours	.344	1.841	.000

Dependent variable: Stress Management

### Table 1.6: Regression Analysis

**Source: Field Survey and Primary Data of Sales Staffs Working in Selected Retail Sectors of Mysore City, Karnataka in the Study Area May 2021**

- The above value of .004 states that the variable X1 as the influence on variable Y. Hence the null hypothesis is rejected.
- The above value of .000 states that the variable X2 as the influence on variable Y. Hence the null hypothesis is rejected.
- The above value of .000 states that the variable X3 as the influence on variable Y. Hence the null hypothesis is rejected.
- The above value of .002 states that the variable X4 as the influence on variable Y. Hence the null hypothesis is rejected.
- The above value of .000 states that the variable X5 as the influence on variable Y. Hence the null hypothesis is rejected.

### Conclusion

Sales staffs are the greatest assets possessed by an organization and their commitment towards work will lead them towards success and the performance and productivity of the retail sectors increases. From the study we can understand the sales staffs of retail sectors in Mysore city feels in order to manage the stress, key factors play a vital role. From the findings we can understand the factors such as work life balance, work environment, pay benefits, competitive pressure and working hours have a significant relationship or highly related in effective stress management. Hence the sales staffs of retail sectors have to make sure they can manage the level of stress and make sure it won't affect the work and morale so they can feel secured and have effective stress management among them.



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## STRATEGIES OF ENTREPRENEURS FOR REVIVING BUSINESS OPERATIONS AND INDIAN ECONOMY POST COVID 19

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### Abstract

On 12 January 2020, the WHO confirmed that a Novel corona virus was the cause of respiratory illness in a cluster of people of Wuhan City, Hubei, China, which was reported to the WHO on 31 December 2019 (Reynolds, Matt, 2020). This outbreak has been categorized as a pandemic by World Health Organization (WHO, 2019) leading to over 2,00,000 deaths within three months since the start of the outbreak (WHO,2020). In fact, Covid-19 recorded the highest infection rates and deaths compared to other corona virus outbreak (Liu, et al, 2020; Peeri, et al, 2020). The first case of Covid-19 in India was reported on 30<sup>th</sup> January 2020 in Thrissur, Kerala (Reid, David 2020). This lead to a surge of cases in India in a very short span of time. On 23<sup>rd</sup> March 2020, the GOI ordered a nationwide lockdown, limiting movement of the entire 138 crore population of India as a preventive measure against the Covid-19 pandemic in India (Gettleman, et al, 2020). This resulted in relatively low investment, production and distribution by Entrepreneurs in India which adversely affected the Indian economy. India had already been experiencing a prolonged economic slowdown (Hindustan times, 2020). The GDP growth rate had fallen from 8.2% in 2018 to 3.1% in 2020 (Statistic Info graphics, 2020). In the first quarter of 2020-21, this number went into negative. The GDP growth rate for April-June 2020 was -23.9%, which happened to be the worst ever in the history (India Today 2020). It is observed that SME's play an important role in today's world economy and are recognized as one of the main contributors to economic development and employment generation (Khan, M.A. 2016). This article focuses on how important is the role of entrepreneurs in reviving economy by developing strategies to combat unpleasant effects of pandemic on business operations in specific and economy at large. It was identified that there is a lack of integration between literature of covid-19, entrepreneurship and strategies for crisis management. This article helps to understand the connection between them with the help of scholarly work carried out by various scholars on relevant topics.

**Keywords:** Covid-19, Pandemic, Strategies, Entrepreneurs.

### Introduction

On 12 January 2020, the WHO confirmed that a Novel corona virus was the cause of respiratory illness in a cluster of people of Wuhan City, Hubei, China, which was reported to the WHO on 31 December 2019 (Reynolds, Matt, 2020). This outbreak has been categorized as a pandemic by World Health Organization (WHO, 2019) leading to over 2,00,000 deaths within three months since the start of the outbreak (WHO,2020). In fact, Covid-19 recorded the highest infection rates and deaths compared to other corona virus outbreak (Liu, et al, 2020; Peeri, et al, 2020). The first case of Covid-19 in India was reported on 30<sup>th</sup> January 2020 in Thrissur, Kerala (Reid, David 2020). This lead to a surge of cases in India in a very short span of time. On 23<sup>rd</sup> March 2020, the GOI ordered a nationwide lockdown, limiting movement of the entire 138 crore population of India as a preventive measure against the Covid-19 pandemic in India (Gettleman, et al, 2020). This resulted in relatively low investment, production and distribution by Entrepreneurs in India which adversely affected the Indian economy. India had already been experiencing a prolonged economic slowdown (Hindustan times, 2020). The GDP growth rate had fallen from 8.2% in 2018 to 3.1% in 2020 (Statistic Info graphics, 2020). In the first quarter of 2020-21, this number went into negative. The GDP growth rate for April-June 2020 was -23.9%, which happened to be the worst ever in the history (India Today 2020). It is observed that SME's play an important role in today's world economy and are recognized as one of the main contributors to economic development and employment generation (Khan, M.A. 2016). Therefore, the present paper focuses on impact of Covid 19 on Indian entrepreneurs, their business operations, strategies developed by them to combat its adverse effect and likely actions that can be taken by them to revive economy post Covid-19 outbreak.

## Literature Review

Noor Fzlinda Fabeil et al. (2020): Opines that Covid-19 crisis can be regarded as a difficult situation for micro-enterprises due to its abrupt threats. Experience of crisis leads entrepreneurs to act more rational and engage in planning when making decisions. Dr. Mohammed Abdul Imran Khan et al. (2021): Suggests that the economic performance is as important as the SME's performance. However, the Gulf Cooperation Council (GCC) countries have promoted related policies to create job opportunities and an SME merger system.

## Research Methodology

An exploratory and extensive research technique was used based on review of notable and scholarly journals, articles, and sites covering wide collection of academic literature on Covid 19 and its impact on Entrepreneurs in specific and Indian Economy in general followed by strategies to be adopted for demystifying ways to revive economy from it. According to the objectives of this study, the research design is of descriptive in nature. Available secondary data was extensively used for the study.

## Objectives of the Study

1. To understand the impact of Covid 19 on Indian Entrepreneurs and their business operations.
2. To identify the strategies adapted by Entrepreneurs to combat business crisis during pandemic outbreak in order to curb the economy breakdown.

## Impact of Covid 19 on Indian Entrepreneurs and their Business Operations

The Indian Entrepreneurs of micro, small and medium enterprises as a whole form a major chunk of manufacturers in India and play an important role in providing large scale employment. With more than 6 crore MSMEs, the sector has been the backbone of the economy and plays a crucial role in employment generation and contributes around 30% of India's GDP, the sector employees more than 11 crore people and contributes half of the overall exports. Over 98% of MSMEs can be classified as micro firms, and 94% remain unregistered with the government. Many of the micro enterprises are small, household-run businesses (Economic survey 2020-21). However, many aspects of government policy are at best scale neutral and do not explicitly favour these enterprises. This sector does not have access to adequate, timely and affordable institutional credit. More than 81% MSMEs are self-financed with only around 7% borrowing from institutions and government sources (Economic Census, 2013).

**Table 1: Industry Wise Deployment of Gross Bank Credit (YOY) Change, in %**

Industry	Mar-19	Oct-19	Mar-20	Oct-20
Mining & Quarrying (incl. Coal)	1.1	-4.1	5.2	4.3
Food Processing	1.1	0.1	-1.9	3.2
Beverage & Tobacco	-5.9	8.5	12.7	0.8
Textiles	-3.0	-4.6	-5.5	-1.0
Leather & Leather Products	-2.1	-1.8	0.2	2.9
Wood & Wood Products	10.2	6.2	2.2	6.6
Paper & Paper Products	-1.0	1.3	2.1	8.7
Petroleum, Coal Products & Nuclear Fuels	-3.1	4.0	20.1	16.6
Chemicals & Chemical Products	17.5	3.8	6.0	-2.6
Rubber, Plastic & their Products	8.1	7.6	10.1	1.4
Glass & Glassware	17.0	-15.3	-11.2	0.7
Cement & Cement Products	5.9	18.2	5.4	-4.6
Basic Metal & Metal Product	-10.7	-7.1	-5.7	-3.8
All Engineering	8.6	5.9	-6.7	-17.7
Vehicles, Vehicle Parts & Transport Equipment	1.4	6.3	3.4	7.1
Gems & Jewellery	-0.9	-9.4	-17.4	-8.6
Construction	10.4	8.0	4.8	5.1
Infrastructure	18.5	6.8	-0.2	-2.0
Other Industries	6.8	13.6	18.5	0.4
Industries	6.9	3.4	0.7	-1.7

Note: Data are provisional and relate to select banks which cover about 90 per cent of total non-food credit extended by all scheduled commercial banks.  
Source: Survey calculations based on RBI data.

Source: Economic Survey 2020-21

The MSMEs are present in manufacturing, trade and service sectors. **Table 1** provides growth rates of industry-wise deployment of bank credit by major sectors. It shows that growth of credit was either low or negative for the MSMEs. Demonetization and GST also contributed to the low performance of MSMEs. The recent problems with the NBFC sector have further hampered credit allocation in this sector. Although all businesses have been affected by the pandemic, the MSME sector would be particularly worse hit by reduced cash flows caused by the nationwide lockdown. Their supply chain has been disrupted, and they have been adversely affected by the exodus of migrant workers, restrictions in the availability of raw materials, by the disruption to exports and imports and also by the widespread travel ban, closure of malls, hotels, theatres and educational institutions, etc. This, in turn, has massively hampered the MSME businesses. A recent survey in MSMEs by the All India Manufacturers Organization (AIMO, June 2020) shows that 35% Entrepreneurs of MSMEs and 43% of the self-employed said that they see no chance of recovery in their businesses and have begun shutting down their operations. As a consequence, hundreds of thousands of people who work for these small businesses may end up with job and salary losses.

The experience of small and medium businesses during the lockdown in China might be useful for India. In order to examine the impact of the pandemic on SMEs, the Enterprise Survey of 2349 previously sampled SMEs which are largely representatives at the provincial level (Zhang, 2020). According to this survey, SMEs are struggling to survive. Around 14% of the surveyed firms will be unable to last beyond a month on a cash flow basis, and 50% beyond three months. It shows a gloomy picture of SMEs under an extended epidemic scenario. However, the impact seems to be different across sectors. Export firms suffered more than non-export firms as they employ more migrant workers and their supplies are highly concentrated. Overall the survey shows that Covid-19 has dealt a heavy blow on the SMEs of China. The same story is likely to get repeated in India as well (S. Mahendra Dev & Rajeshwari Sengupta, April, 2020)

### **Strategies Adopted by Entrepreneurs to Combat Business Crisis during Pandemic Outbreak**

A crisis is one of the threats to the existence and performance of a business (Boin, 2009). Similarly, ongoing Covid-19 has become a real threat and challenge to the business world not only in certain regions but all entrepreneurs globally. The training, education and character is the basis of resilience that will lead to the success of an entrepreneur and organization (Fisher, Maritz, and Lobo, 2016). There are many studies that have been conducted on business continuity strategy among large manufacturers (Kepench, 2007) or in the developed region (Herbane, 2013). However, there are limited studies on SMEs or small entrepreneur's performance during crisis in less developed countries. Furthermore, there is inadequate literature on impact of new emergent crisis like a pandemic outbreak on SMEs. It is assumed that SMEs of under-developed countries are exposed to more challenges and issues than the larger enterprises in developed countries, especially during pandemics.

Statistics have shown that about 75% of businesses without a continuity plan will fail within 3 years after a disaster or crisis strikes (Cook, 2015). Quarantile, Lagadec and Boin (2007) suggest the importance of managing and planning processes during disaster and crisis. They define managing as contingency tactics used in dealing with crisis, whereas planning refers to the strategies that need to be undertaken in facing the future situation. In this study, the authors deliberate business continuity as the entrepreneur's tactic in managing crisis, and business recovery plan as the planning process after a crisis. Business continuity strategy usually comes together with a crisis recovery plan which involves resumption and restoration of operation (Cook, 2015).

An entrepreneurial orientation is needed to face issues, challenges and environmental changes to deal with the crisis of Covid-19. Entrepreneurial orientation refers to 'firm level behavioural characteristics of engaging in product-market innovation, promoting innovative behaviour within the firm, undertaking somewhat risky ventures and being the first to come up with proactive innovations' (Wang and Altinay 2012). Hofer (1980) identified four generic strategies for addressing challenges during crisis. The first two strategies are much more about entrepreneurship and business reorientation - Revenue generation and Product-market refocusing. The other two strategies are Cost-cutting and Asset reduction which are associated with efficient operations. Revenue Generation: It is a strategy to respond to crises by increasing sales. Increased sales result from introducing

products, increased advertising, increased sales efforts, or lower prices used to compete directly with competitors. This strategy can be chosen by firms when they can increase their sales by increasing their capital expenditures and total assets.

Product/market refocusing: It is more about shifting company's resources to niche markets to defend against the disruption of their mass market demand during an economic crisis. This response requires critical product innovations and usually involves the reconstruction of top executive's panels. Cost-cutting strategy: It is basically associated with significant reductions in funding for R&D, administrative operations, marketing, and other expenses. The cuts will ultimately reduce operating costs and capital expenditures. Therefore, sales are expected to fall sharply due to the restrictive nature of cutting activities.

Asset reduction strategy is related to the disposal of assets, mainly fixed assets. Total assets and capital expenditure are expected to decrease. Egan and Tosanguan (2009) found that the empirical evidence supporting Hofer's framework is partially mixed. During crisis some studies argued that companies dominantly selected cost cutting strategies as their response to crisis (Beaver, 2007). Others found that revenue-generation strategies were the preferred choices (Latham, 2009). Some scholars chose combinations of strategies to be the solution for overcoming an economic downturn (Kambil, 2008). Even though workforce layoffs can have immediate effects on cost efficiency and increase the chance of survival, they can also create organizational demoralization and reduce firm's capacity to below the efficient level of operations (Luan et al.,).

Overall it can be said that scholars are in favour of Hofer's four turnaround archetypes for company's choice of coping strategies during crisis times. But during extreme cases like pandemic outbreaks, selection of coping strategies should be explored because it could be affected by both companies' specific factors and overall contextual factors (H.H. Nguyen et al. 2021).

## Conclusion

Entrepreneurs play a very crucial role in reviving an economy especially when the economy faces unprecedented emergencies or crisis like pandemic outbreaks. It is high time that entrepreneurs realize that new, innovative and out of the box strategies are much required to match to the changing environment. An elaborated understanding of crisis management on the part of entrepreneurs is the need of the hour as they are the main engines that can drive out the economy easily through the slowdown caused by such abrupt phenomenon.

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## GLOBAL CHALLENGES AND SURVIVAL STRATEGIES OF SMALL AND MEDIUM ENTERPRISES

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### **Abstract**

*Small and Medium Enterprises constitute the backbone of an economy in maintaining an appreciable growth rate and in generating employment opportunities. This sector has been regarded as engine of economic growth and social development in many developed and developing countries. Contribution of SMEs to the Indian economy in terms of employment generation, containing regional disparities, fostering equitable economic growth and enhancing export potential of the country has been quite phenomenal. Economic globalization has created many challenges for small and medium enterprises (SMEs) due to the rapid increase in competition. Therefore, the downfall rate of SMEs is relatively high, a short period after their commencement. Accordingly, SMEs need to adopt survival strategies and strategic methods to succeed in confronting the various global challenges faced by the SME sector. This study aims to review the existing knowledge on how the global challenge, which was intensified in the era of economic globalization, affects the sustainability of SMEs in the modern-day economic competition to broaden the understanding or extend the existing knowledge about the nature of the different kind of global challenges, their impact on SME sector, and strategies adopted by the SME to confront various global challenges. Specifically, broadening the understanding of one of the key challenges of SMEs' sustainability is essential as the sector plays a decisive role in economic development in developing nations. As mentioned in the background, this study recognized the global challenges as any key trend, pressure, or development in the global economy that has possible influences on changing the SMEs' business atmosphere.*

*The review revealed the critical global challenges for SMEs within the context of economic globalization. They are the global market competition, global finance and economic crises, information communication technology, the emergence of multi-national corporations, transnational corporations, consumer changes and especially their preferences, trade dumping, international terrorism, and religious conflicts and trade wars. Furthermore, the study considered the survival strategies of SMEs in the industrial platform to recognize sustainability-related policies, specifically, the necessity for a robust theoretical examination on the survival strategies of SMEs in the field of global challenges.*

**Keywords:** *Small & medium enterprises (SME); economic crisis; global challenges; international terrorism; multi-national corporations; Survival Strategies;*

### **Introduction**

The Small and Medium Enterprises (SME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. It contributes significantly in the economic and social development of the country by fostering entrepreneurship and generating large employment opportunities at comparatively lower capital cost, next only to agriculture. SMEs are complementary to large industries as ancillary units and this sector contributes significantly in the inclusive industrial development of the country. The SMEs are widening their domain across sectors of the economy, producing diverse range of products and services to meet demands of domestic as well as global markets.

Small and Medium Enterprises (SMEs) in India and abroad have demonstrated considerable strength and resilience in maintaining a consistent rate of growth and employment generation during the global recession and economic slowdown. Indian economy during the recent years has shown an appreciable growth performance by contributing to creation of livelihood opportunities to millions of people, in enhancing the export potential and in increasing the overall economic growth of the country. Prompt and appropriate fiscal stimulus, effective monetary policy and huge capital inflows were greatly instrumental in the bounce back situation of the economy.

### Objectives of the study

1. To briefly highlight on the functional Scenario of small and medium enterprises in India.
2. To focus on the huge growth potential and opportunities available for development of SME's.
3. To identify Recovery and survival strategies of SMEs.
4. To offer suggestions to overcome the issues and challenges experienced by SME's.

**Methodology:** The study involves a critical analysis of functioning of some small and medium scale enterprises in the country both in manufacturing and service sector and intends to identify the potentialities for growth, opportunities, major issues and challenges experienced by these enterprises. The data are collected mostly from secondary sources by way of access to various Government policies/ programs including published Annual Reports, Journals, Books and available official websites.

### Review of Literature

**Slater and Narver (1990); Alfred and Wilson (1996):** Small and medium enterprises (SMEs) play a significant role in the economic development sector worldwide. Since the 1990s, researchers have been interested in investigating the role of SMEs on the development platform because of the economic globalization.

**Sener et al. (2014):** Thus, the influence of economic competition in the globalization era on SMEs has received much more concentration than other types of ventures because SMEs provide a significant contribution to the economies in developed and developing nations.

**Sung et al. (2016):** Today, the speed of globalization has intensified by the growth of information and communication technology, and most SMEs are following that strategy to improve their business competitiveness in the market. Further, the collapse of socialist economies, the interaction of the market economy, financial liberty, and deregulation of capital movements have intensified the globalization procedure.

**Noet al. (2017) :** This is mainly due to the emerged competitive challenges in the free market environment of the globalized economy. In this connection, the recent literature revealed three competitive challenges that confront the business entities in the global economy, i.e., sustainability challenges, global challenges, and technological challenges. The global challenge refers to the ability of firms to protect their domestic markets and enter new emergent markets in the world such as China, India, Brazil, and Russia.

**Erixon (2018):** SME's has two key domains, namely, the globalization of production, which is addressed as a source of goods from countries in the world to obtain benefits from social differentiation in the cost of production, and the globalization of the market places that reduces the cross-border trade constraints.

**Prasanna et al. (2019):** As cited in the literature, the main issue of SMEs, particularly in developing countries, is that a considerable percentage of SMEs are closed down within a very shorter period of their business commencement. .

### MSME's in Indian Perspective

In accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified as below:

- (i) A micro enterprise, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees;
- (ii) A small enterprise, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; and
- (iii) A medium enterprise, where the investment in plant and machinery or equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

SMEs play an important role in the economic development of a country. Their role in terms of production, employment generation, contribution to exports & facilitating equitable distribution of income is very critical. Specific Contributions of Small and Medium Scale Sector:

1. The contribution of Small scale sector to the manufacturing sector and GDP as a whole is significant in terms of its share in total value added.
2. Small scale sector performs to the manufacturing sector and GDP as a whole is significant in terms of its share in total value added.
3. SMEs can play a role in mitigating the problem of imbalance in the balance of payment accounts through its export promotion.
4. While the large scale industries are expected to increase the inequities of income and concentration of wealth, SMEs are expected to help widespread equal distribution of income and wealth.
5. Small sector may provide opportunities to a large number of capable and potential entrepreneurs who are deprived of appropriate opportunities.

### Global Challenges of SME's

Since this study focuses on the global challenge, the review first categorized the global challenges into eight thematic areas by applying content analysis techniques to the selected literature. They are:

**(1) The market competition:** The global economic competition will influence the domestic SMEs more whose productions are excessively localized and segmented because the trade liberalization allows the well-performing foreign manufacturers and retailers to penetrate the underdeveloped and remote markets, which make difficulties to SMEs to maintain their existing sales in the respective small markets. The report of the United Nations Economic and Social Commission for Asia and the Pacific revealed that in the SMEs, the current global economy is characterized by trade liberalization, rapidly changing technology, and growing and ever-changing demand for high quality and differentiated intermediated and final goods and services that must meet increasingly stringent international standards. In such an environment, SMEs find it challenging to be competitive even in their domestic market.

**(2) Global capital and economic crisis:** It is a challenge to find definite reasons for the global economic crisis. As stated in the theoretical background, Keynes explains the economic crisis or economic downturn as a deficiency in aggregate demand in the economy. However, economists argue that the collective impact of many causes triggers the crisis within the credit market in the United States and expands to the rest of the world.

**(3) Information communication technology:** The growth of information communication technology (ICT) has been identified as one of the intensification factors for internationalization and globalization of SMEs. According to Hogeferster (2014), when going international—which is very expensive—and asking for large investments in foreign countries, small firms should be much thankful for well-developed telecommunication and IT systems, sound transport system, identical rules and regulations, and the internet. Additionally, as knowledge is an essential resource and in the context that resources and resource transfer is more crucial for the usefulness of resources, therefore the internet is also identified as a mechanism that transfers the knowledge to SMEs.

**(4) Multi National Corporations:** The MNCs have primarily influenced the increased product competition in the global market due to their monopolistic practices and production and distribution merits under strong economies of Scale. This trend has become a challenge for SMEs due to the increased domination of domestic and global markets by the MNCs in the economic globalization era. This questioned the survivable marketability of the SMEs, largely in developing nations, due to the low level of technology adaptation, low managerial skills, productivity issues, labor-intensive nature of the production system, etc. Thus, strategic approaches are suggested to address this critical challenge facing SMEs.

#### **(5) Transnational corporations:**

Concerning globalization, TNCs have created a vital effect on host economies via their local sourcing mechanisms, and they exercise territorially based industrial networks as a sourcing and production trick. Hence, TNCs develop an excellent demand for local portions and component suppliers and subcontracting manufacturing. Most local SMEs act as suppliers for international TNCs by providing parts, components, and manufacture-related services. The technical knowledge and know-how are critical to producing a quality product at a low cost. The most highlighted domain of transmission of technological knowledge was built from TNCs to SMEs.

**(6) International terrorism and religious conflicts:** Terrorism and religious conflicts are a global economic challenge today, and all types of enterprises suffer from the negative consequences of terrorism and religious conflicts. As SMEs are considered as the most dynamic and vulnerable businesses in the global economy, particularly in the economic competition, those negative consequences are more severe for the SMEs' sustainability.

Developed nations can absorb the impact of terrorism without displaying adverse economic effects, but developing nations lack that ability, worsening the situation. Both transnational terrorism and internal conflicts cause adverse consequences on economic growth, and the most severe impact on Asian countries arrives through internal conflicts.

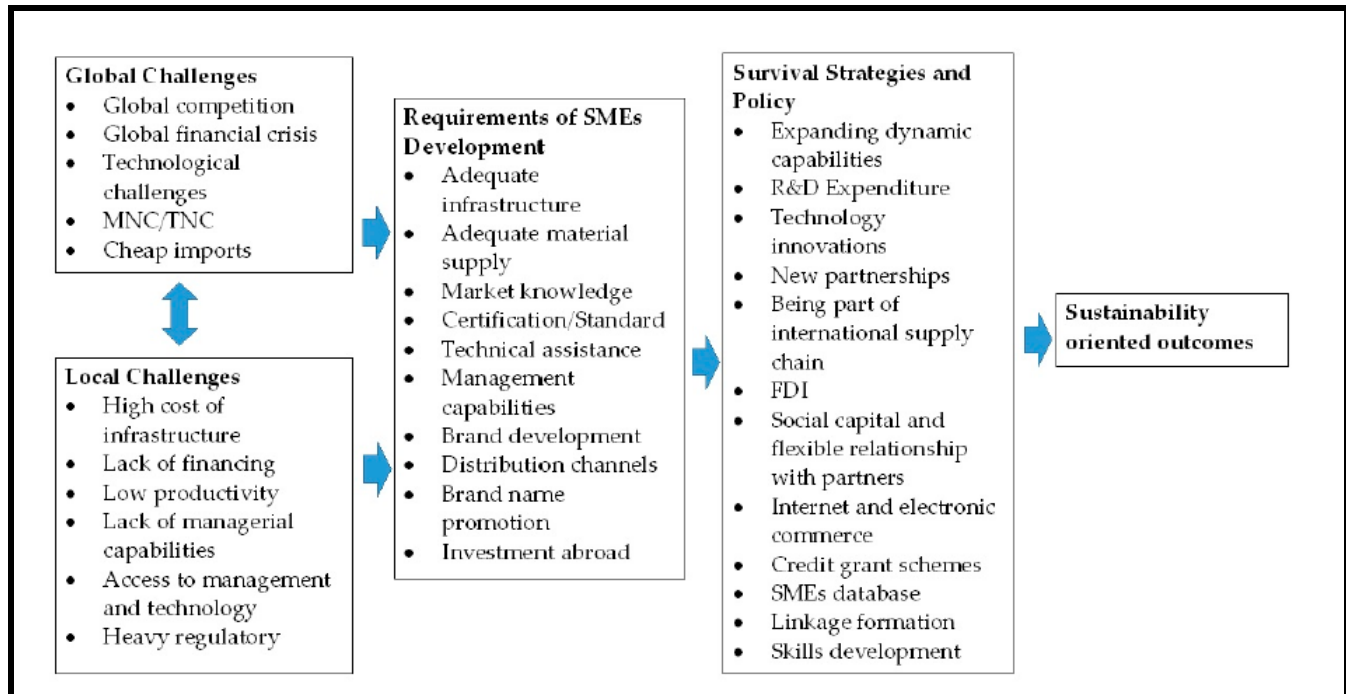
#### **(7) International trade war**

A full-scale trade war began between the US and China since 2018 when Washington decided to renegotiate the US-China economic relationship and reverse the Chinese dominated trade (ISDP 2020). OECD (2019) projects that the global trade war leads to a reduction in global GDP of about 1.96% and a reduction of global trade of about 17% compared to the scenario of no trade war. As SMEs account for 90% of production in developing and developed countries, SMEs may necessarily experience both positive and negative spillovers of the trade war. The US-China trade war caused many American companies to move their supply chains out of China, which can be more costly for American SMEs (CRS 2019). On the other hand, Chinese SMEs have a massive loss in their market. With the start of the trade war, many investors have removed their investments in China and placed in other countries, making significant changes in manufacturing sectors in those countries.

**(8) International dumping:** In 1923, Jacob Viner first defined the term dumping as "price discrimination between national markets". Dumping is recognized as one of the unfair trade practices that have become a significant issue in the past two decades. In the developing countries fall victim to export dumping by manufacturers in developed countries, which affect their SMEs. APEC (2010) identified competitors' adoption of dumping practices as a barrier for SMEs entering the international market. They also identified dumping as an anti-competitive behavior SMEs face because it makes difficulties in matching the competitor's prices.

#### **The Survival Strategies of SMEs Confronting Global Challenges**

The survival strategies recognized in this review indicate the importance of establishing the necessary conditions for stabilizing the SMEs-led business environment in the economy and improving the competitiveness of the SMEs in the era of the WTO-led trade regime. The conditions would enhance the ability to protect their markets from different global challenges, mainly reviewed in this study. According to past literature, the most effective strategy for SMEs is cost leadership since the expected objectives of SMEs are increasing profits by reducing costs and setting prices according to the industry average. Moreover, with rising labor costs and increased automation and digitalization, SMEs cost advantages due to labor-intensive organizations are eroding, suggesting an alternative focus on other survival strategies, as presented in Figure 1.



### Suggestions

At the same time, SMEs can execute a SWOT analysis to identify the organization's internal and external factors to face the challenge of global and economic competition, the challenge of multi-national corporations, and the challenge of transnational corporations. Moreover, SMEs can perform a PESTEL analysis to be aware of the competitors as these organizations have a high potential for providing employment, promoting entrepreneurship, earning foreign exchange to the country, and dispersing industries. To confront the challenge of information and communication technology, SMEs can focus on their strengths, weaknesses, opportunities, and threats existing in the internal and external environment. It allows identifying the capability of the SME to adopt those facilities within the SME and determine the availability of information and communication technology in the market place because ICT has become a crucial deciding factor in both large and small firms.

### Conclusion

Today's world steps towards a more globalized economy, and no mode of venture could ignore Globalization and skip the challenges caused by globalization. The influence of globalization on SMEs is a vastly reflected theme in economic reviews since the SMEs play a vital role in the sectors of production, job creation, poverty reduction, innovation, and economic growth in all countries. This review critically examined the existing literature regarding the key topic, "SMEs and global challenge." In terms of SMEs, the global challenge referred to the firms' ability to protect their domestic markets from internal and external shocks and enter new emerging markets in the world. It analyzed the effects of global challenges on SMEs, the possible lessons taught by the experiences of different firms, and significant factors necessary to change and improve. The review recognized eight global challenges facing SMEs in the era of economic globalization, i.e., market competition, global capital and economic crisis, information communication technology, MNCs, transnational corporations, international terrorism and religious conflicts, international trade war, and international dumping.

It is also suggested, for future research, to investigate the COVID-19 pandemic as an additional Challenge to SMEs and the possible short term and medium-term actions of SMEs to cope with the difficulties and take advantage of possible opportunities (e.g., digitalization, virtual work, health, and safety sector) due to global crisis, such as COVID-19.

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## ROLE OF EDUCATION IN EMPOWERING WOMEN IN INDIA

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### Abstract

*Women have a very in-distinctive position in our economy and are an indispensable part of the society. Education and knowledge empower women. The only way a society or nation can move forward and aspire to economic growth and development is not just through education but especially education among the women citizens. And if we consider education from grass root level that a child starts to learn from their first five years and are most crucial for the foundations for physical and mental development. The Anganwadi worker (AWW) is the community based voluntary frontline worker of the ICDS programme. Selected from the community, she assumes a pivotal role due to her close and continuous contact with the beneficiaries but her education is secondary, in order to achieve development of education system it is a need to provide further education program for Anganwadi workers who lays the foundation of education for children.*

**Key Words:** Education, Women Empowerment, Anganwadi Workers.

### Introduction

**“To awaken the people, it is the women who must be awakened. Once she is on the move, the family moves, the village moves, the nation moves.” - Pt. Jawaharlal Nehru**

Education is a milestone of women empowerment because it enables them to respond to challenges, to confront their traditional role and change their life. Education is one of the ways to spread the message of women empowerment. However rich and humongous our country is no goals or dreams of our citizens will be achieved without effective education. Education not only educates a person but also helps her realize that she is a vital part to the society. Occupational achievement, self-awareness and satisfaction are among the many things that will be ensured by effective use of education. Guidance and counselling also provided through education, helps women select their jobs and build career paths. Teacher plays a pivot role in system of education as the saying goes ‘Teachers are the real Architects of a Nation’. The teacher is one who not only a interpreter of culture and dispenser of knowledge but also builds right attitudes, Inculcate values and beliefs. By noticing the importance of teacher, various commissions and committees made several recommendations on teacher training from pre-school education to Higher Secondary Education. A teacher who teaches in Pre-Primary school i.e. Anganwadi School, who is called as Anganwadi teacher or Anganwadi worker. The education qualification of Anganwadi teachers is secondary school.

### Education

Education is the process of facilitating learning, or the acquisition of knowledge, skills, values, beliefs, and habits. Educational methods include storytelling, discussion, teaching, training, and directed research. Education frequently takes place under the guidance of educators; however learners may also educate themselves. Education can take place in formal or informal settings and any experience that has a formative effect on the way one thinks, feels, or acts may be considered educational. Education designed to support early development in preparation for participation in school and society. The programmes are designed for children below the age of 3. This is ISCED (International Standard Classification of Education) level 01. Preschools provide education from ages approximately three to seven, depending on the country when children enter primary education. The children now readily interact with their peers and the educator. These are also known as nursery schools and as kindergarten.

### Women Empowerment

Women's empowerment (or female empowerment) is the process of empowering women. It may be defined in several ways, including accepting women's view points or making an effort to seek them, raising the status

of women through education, awareness, literacy, and training. Women's empowerment is the most crucial point for the overall development of a country. Suppose, in a family, there is one earning person, while in another family, both men and women are earning, then who will have a better lifestyle. The answer is simple, the family where both men and women are earning money. Thus, the country where men and women work together develops at a faster rate.

### **Anganwadi Workers**

Anganwadi workers are the pillar of the ICDS (Integrated Child Development Services) program. Anganwadi worker a local woman, who is trained in minor health and nutrition, related matters is trusted by the residents of the area. Her job is to run the Anganwadi, survey all the families in the neighbourhood, enrol eligible children, ensure that food is served on time every day, conduct the pre-school education activities, organize immunization sessions so on. The educational qualifications required to become an Anganwadi worker is passing 10th standard. In case a woman who is 10th pass is not available then a local woman who is 8th pass or even 5th pass may be preferred as compared to a woman who is an outsider.

### **Literature Review**

Rouf Ahmad Bhat (2015) says that Education is milestone of women empowerment because it enables them to responds to the challenges, to confront their traditional role and change their life. So that we can't neglect the importance of education in reference to women empowerment. Dr. Kunhi Sikha Bhuyan. (2020) highlights that Education is a fundamental right for all people, women and men throughout the world. To empower women education can plays a very important role, education is empowerment. P. Pachaiyappan (2014) indicates in that educated women can play a pivotal role in eradicating poverty and accelerating development process. They can take active part in all the spheres of life. Sonali Channawar (2016) summarised that through Education Women enhance the quality for improve the quantity of knowledge and Put every steps further to achieve her goals and aware the society by showing the power of women's empowerment. It is great to access that now situation to motivate the entire girl child for education. Women are key of problems lock, to open with their authentic solution.

### **Objectives of the Study**

1. To know about programs to empower women.
2. To understand the education system.
3. To identify the role of Anganwadi workers in Children education activities.
4. To provide training program to Anganwadi workers to enhance their knowledge.

### **Government Programs to Empower Women**

- Beti Bachao Beti Padhao Scheme(2015)
- One stop Centre Scheme (2015)
- Women Helpline Scheme(2015)
- UJJAWALA (2017)
- Working Women Hostel(introduced in 1972-73 and after amendment re-launched on 2017)
- Rajiv Gandhi National Creche Scheme for the Children of Working Mothers(2011)
- SWADHAR Scheme (2001)
- Support to Training & Employment Programme for Women(STEP-2003)

### **Education System**

Indian Education System is mainly divided into four stages

- Lower primary (6 years to 10 years)
- Upper primary (11 and 12 years)
- High school (13 ends at 15 or 16)
- Higher secondary (17 and 18 years)

Education is a significant factor in India for its economic development. The government of India runs many programs to improve Primary and Higher Education in India. Early childhood education

- Early childhood education (ECE) is needed for cognitive development in the early stage.
- Integrated Child Development Scheme (ICDS) has a component for providing ECE through Anganwadis. But lack of effective regulation in this sector is eroding the quality of ECE.
- There is a National Early Childhood Care and Education Policy 2013. However, the policy has not been properly implemented.

### **Role of Anganwadi Workers in Children Education Activities**

Anganwadi centres are considered as the best place for children to get good education economically. The responsibilities of Anganwadi workers (AWW) include conducting regular quick surveys of all families, organize preschool activities. Motivating families and educating parents about child growth and development, assist in the implementation and execution of Kishori Shakti Yojana (KSY) to educate teenage girls and parents by organizing social awareness programmes etc., identify disabilities in children, and so on.

### **Training Program to Anganwadi Workers**

The National Education Policy (NEP 2020) states that Anganwadi centres will now provide pre-primary education as per playschool standards, in an effort to universalize the pre-primary education across the country. With all of the above, Anganwadi workers find themselves engaged with both the child and the community. Therefore, To begin with, up skilling of Anganwadi workers must empower them to reach out to their communities more effectively. For instance, regularly training them and enhancing their knowledge on Early Childhood Care and Education (ECCE) methods will help them provide better childcare at the centres. Similarly, training them in soft skills, interpersonal communication, parenting, addressing social issues, and teaching them methods to create a conducive learning environment at the centre can assist them in striking a rapport with the community folk. Also, using digital technology in vernacular languages to impart training to the Anganwadi workers can help reach a wider number of workers on a more frequent basis.

### **Conclusion**

Women can be empowered in various ways. It can be done through government schemes as well as on an individual basis. At the individual level, we should start respecting women and start giving them opportunities equal to men. We should promote and encourage them to take up jobs, higher education, business activities, etc. The Anganwadi workers are the backbone for the rural childcare and healthcare services in India, by this we can say that empowering Anganwadi workers through education helps not only to community development but also leads to empowering women in India.

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## ROLE OF TEACHER IN UNCERTAIN TIMES: CASE STUDY OF COVID 19 SITUATION

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### **Abstract**

*The impact of Covid 19 has been largely disruptive in all spheres of economic and human activities. All the crucial sectors of the economy has been badly affected by the increased widespread of Covid 19 disease and as a result, lockdown was imposed all over the nation. Due to this pandemic, even education sector has also been experiencing sea change and has seen a massive shift from Chalkboard system to online learning system. In this process of major shift, the role of teachers is seen to be challenging but yet remarkable. In an attempt to reduce the widespread of the disease, all educational institutions were closed down and online learning system was put into effect. The closure of educational institutions has lead to several challenges like internet connectivity, online learning, examination, attendance monitoring, change in social life and mental health of students. Even teachers have faced several challenges like lack of orientation on online teaching, lack of interaction, content delivery, digital valuation, managing academic and administrative roles and maintaining one's own academic productivity. Inspite of several challenges, the role of teachers in uncertain times like Covid 19 has been very crucial for keeping the learners engaged and maintaining the spirit of learning. In this research paper, the researcher has discussed about various roles played by teachers during the pandemic and also keeps the future scope for designing an effective teaching eco-system in uncertain times. The result of the conceptual research outlines the 8 critical roles played by teachers such as Content Developer Role, Counselor Role, Strategy Role, Tech Tutor Role, Skill Trainer Role, Professional Development Role, Administrative Role and Self Obligation Role. Along with these roles, the paper also throws insights on teaching strategies and responsibilities for a teacher during uncertain times.*

**Keywords:** Covid 19, Online teaching, Role of teacher, Uncertain times, Virtual learning .

### **Introduction**

Since the beginning of 2020, the entire universe started to witness the emergence and widespread of Covid 19 disease, which is declared to be a pandemic. It is believed to have originated from China in the year 2019 but it got rapidly spreaded out in 2020. The impact of Covid 19 on various sectors of the economy has been very terrible and has resumed back the economy for almost a decade back. China was also accused of having Covid 19 as a bio-weapon and was also accused for having created such a socio- economic and political disaster.

### **Background of the Study**

In order to combat the menace of Covid 19 virus, the governments across the globe started to impose locking down of their economies and thereby the physical movement of people could be minimized. Due to lockdown, all educational institutions were also suggested to close down and to shift the teaching-learning process over the online space. The role of teachers in this transition has been to ensuring an inclusive and secured teaching-learning environment. Not just academic teaching, but also teachers were expected to create awareness about the pandemic and measures to remain safe and active learners. The present research paper discusses the various critical roles played by teachers and also throws lights on teaching responsibilities or strategies to be used in uncertain times.

### **Literature Review**

Koohang A. & Durante A. (2003) conducted a study to measure learner's perception towards web based learning activities and explored that web based learning activities promoted learning significantly. Certain variables such as age, gender and experience with internet was used to find whether these variables are significant factors in

learners' perception towards web based learning activities. In addition to descriptive analysis, three variance analyses was used by authors to answer the research question. Dykman & C.K. Davis (2008) examined issues such as online course organization & planning, teaching guidelines, students-teacher relationship, lectures versus tutorials & assessment of student's performance. This paper deals with how online teaching is different from conventional teaching and also discusses the issues relating to online education. N.P.Napier & S.Smith (2011) conducted survey to assess the impact of blended learning on students and the students' performance was compared between traditional and blended learning models. The results indicated that students' performance was comparable and reported high level of interaction. The study concluded that students' rating on hybrid learning was favorable and faculty found designing blended courses a challenging. Wei Bao (2020) proposed five high impact principles for online education and focuses on contingency plans during uncertain times. This paper focuses on case of Peking University's online education. Andreas Schleicher (2020) mentions in the OECD report that virtual laboratories can give students the opportunity to design and conduct the experiments. He also mentions that younger teachers use Information and Communication Technologies (ICT) more frequently in the classrooms. The figures used in the report also highlight that teachers need to renew their skills frequently in order to adopt the changes.

### Objectives of Study

1. To discuss the critical roles played by teachers in the pandemic.
2. To detect challenges faced by teachers in the pandemic.
3. To design various strategies to be used by teachers in uncertain times.

### Research Methodology

The researcher has used qualitative research through case study approach and thereby has discussed critical roles played by teachers in uncertain times like Covid 19. It interprets the roles such as Content Developer Role, Counselor Role, Strategy Role, Tech Tutor Role, Skill Trainer Role, Professional Development Role, Administrative Role and Self Obligation Role. These roles are elaborated as below:

**1. Content Developer Role:** Unlike traditional classroom teaching, the teacher has now been expected to create teaching materials using Power Point Presentations. Teacher's role was to design curriculum and study materials to facilitate learning. The content development also involved choosing and organizing the concept for making it easier to understand.

**2.Counselor Role/Mentor Role:** The pandemic created loads of mental and social pressures on students. Some of the important concerns of students such as syllabus completion, attendance status, conduction of examination, post pandemic job market, project and internship, lack of interaction, lack of access for e-learning and payment of fees created pessimism, fear and anxiety. This made teachers to play counselor role or mentor role by counseling students on frequent basis and clarifying all concerns and keeping their learning spirit alive. Teacher's role as a counselor also extended after re-opening of schools and colleges as students and parents had queries on risk factors in classrooms for classes as well as for examination. Teachers had to counsel and communicate the preventive measures adopted and safe learning environment. In this phase, each teacher was playing role as mentor and few students were assigned to teacher as mentee. The mentor was accountable for the entire academic progress and well being of the mentee.

**3. Strategy Role:** The teaching learning process consists of conducting internal tests and external tests, assignment submission, submission of practical component, undergoing internship and field visits. In the pandemic, all these components were challenging but yet teachers designed strategies to ensure that all academic related activities are achieved successfully. Conducting online tests using various platforms with good supervision, asking students to submit hand written assignments on email or google classroom, undergoing freelance project and internship with Work from Home model, floating virtual webinars to facilitate industry institute interactions were few of strategic moves performed by teachers.



**4. Tech Tutor Role:** In case of pre-pandemic situation, teachers heavily relied on chalkboard system for teaching delivery. Due to pandemic, teachers had to depend on usage of technology for content delivery. Teachers were exposed to web based teaching by incorporating technology into it. He delivered customized contents with application of technology into it and this role was played by teachers without much prior orientation on online teaching.

**5. Skill Trainer Role:** One of the critical and most appreciable roles played by teachers in pandemic is imparting skill literacy into students. The pandemic set a projection that job market will see major changes and new skill requirement parameters will be accepted. This was immediately noted by teachers and skill training was incorporated into teaching learning process. Many soft skill sessions, job readiness sessions and certifications were floated to skill the students.

**6. Professional Development Role:** Along with teaching workload, teachers were also involved in self development role. This included writing research papers, attending online FDP's and conferences, focusing on PhD, attending webinars, applying for academic body membership, enrolling for various Massive Open Online Courses / certifications and attending various academic meetings as part of Board of Studies or Board of Examination.

**7. Administrative Role:** Teachers have also played administrative role by being available for all administrative related activities such as accreditation related documentation, following up of fees collection and maintaining record of it, executing any administrative roles as assigned, admission counseling, institutional branding, digital evaluation and university examination processing.

**8. Self Obligation Role:** Along with above mentioned roles, teachers have also been very obligated to family and relatives as they had to take care of their parents, spouse and children and self. Apart from teaching assignment, teachers had to perform all household activities and to keep a very positive atmosphere in the family. In such ways, teachers were also accountable to their self and family as a whole in order to maintain work-life balance. It also includes spending time on personal interests and hobbies.

## Results & Discussion

Post pandemic, the roles of teacher will again evolve and certain strategies in this direction required to be formulated. Such strategies reset the responsibilities of a teacher and are listed as follows to navigate in uncertain times.

1. Orientation on online teaching should be inducted to teachers in order to carry out teaching learning process over the online effectively. This will enable teachers to create curriculum size and style of delivery.
2. Keeping online study materials ready for ensuring continuous learning in any uncertain times
3. Keeping tech infrastructure ready such as online teaching platform, hardware-software set up, good server and good data connectivity.
4. Keeping the reservoir of recorded sessions. For instance, short videos on certain concepts can be floated via social media so that if any student misses the online class, then such recorded sessions can be accessed by students anytime.
5. Creating discussion forums to facilitate doubt clarification, sharing views and opinions. This will resolve the issue of lack of interactions between teacher and students.
6. Designing a technical dashboard to facilitate attendance recording, assignment submission, attending quizzes, practical component submission and test answer scripts submission portal. This will also act as e-reservoir of TLP documents.
7. Voice modulation. Due to poor network connectivity, teachers' voice is not heard properly by students and therefore, teachers should take continuous feedback on their audibility while delivering lectures.
8. Frequent meetings to be conducted with students to assess their learning activities and issues to be addressed.



9. Prepare academic goals. It means set weekly target to complete syllabus followed by regular tests, enrolling for online courses to enhance one's knowledge base, involving in research by writing articles and attending webinars. This strategy will improve academic productivity as well as one's own dashboard.
10. Reset the mindset. Many issues of teaching-learning process can be fixed by resetting the mind set. Keep a positive and calm mind set to achieve openness and holistic approach in life. This will enhance one's spiritual and mental well being.

### **Conclusion**

Teaching-learning activities should be carried out continuously inspite of any uncertain times like the present Covid 19 situation. The role of teachers in this pandemic has been quite remarkable and has reshaped the responsibilities of teachers in uncertain times. From teacher to trainer, from trainer to counselor, from counselor to strategist, the role of teachers has been redefined in the pandemic. The uncertain times like the present Covid 19 situation will continue to throw several such challenges in future. Therefore, teachers should learn to adopt teaching strategies in order to ensure safe and continuous learning atmosphere.

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## AWARENESS ANALYSIS OF GREEN INVESTMENT: A STUDY WITH REFERENCE TO INVESTORS IN MYSURU CITY

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### Abstract

*In this study the researcher made an attempt to analyze the awareness of Green investment among investors in Mysuru City. The review of literature shown that the past researchers found that the Indian Investors are unaware of Green investment concept, doesn't have the basic knowledge about Green Investment and the lack of Government & RBI initiation in developing Green finance. The main purpose of this study is to know the awareness of Green investment & Green initiatives among the investors. Accordingly, the research methodology designed in which the type of research is descriptive, the study sampling technique chosen is non-probability and convenience sample method used to pick 100 respondents in Mysuru city. The results of this study shown that the selected investors are partially aware of green investment and also found that the majority of investors never heard about the concept of green investment. The sample t-test results shown that the investors awareness level about green investment and green initiative is low and found that gender and age groups are significantly associated with awareness level. Further, the results demonstrated that the two most important barriers considered by respondents for not investing in green initiatives are, lack of information and low return. These results indicate that the Green Investment concept is still in nascent stage in India and which require the attention from the stakeholders like Government, RBI, and SEBI, and bring out measures which help Green Energy sector gets the required finance so as to help the lessen the environmental harms.*

**Keywords:** *Green Investments, One-Sample t-Test, Chi-Square Test, Mysuru City, Investors.*

### Introduction

The world is going green, from recycling and power generation to organic groceries and sustainable fisheries. Everyone, it seems- including climate change scientists, business, consumers and politicians- is interested in easing the burden humanity places on the environment. If people are looking for ways to put a little green in their wallet by putting some green in their portfolio, they might be surprised at the wide range of available offerings. Here is a look at 11 top green investment areas, starting with various forms of renewable energy. They are Green power investments, Water stocks, Wind power, Solar Energy, Pollution controls, Green Transportation, Waste Reduction, Organics Aquaculture, Geothermal, Top Environmental policies, Green up your portfolio.

High economic growth plays a role in reducing poverty, generates employment which helps to lead high standard of living. But traditional method of achieving significant growth rate exploits the natural environment and brings climate changes which deplete the ability of meeting the future generation needs. So growth with sustainability has become essential. Huge amount of funds are required to finance the adaption and mitigation policies of climate change. India has adopted the 17 sustainable development goals and submitted the intended nationally determined contribution (INDC) in Paris agreement, and to achieve those goals and targets huge amount of investment is required. At least USD 2.5 trillion will be required for meeting India's climate change actions by 2030. Public finance is not sufficient for this amount of investment. Private finance is needed to achieve targets of Paris agreement and 17 SDG. Green finance or Green investment is recent phenomena in the in the field of investment which the investment sector with sustainability.

Green investment refers to the act of allocating capital towards projects whose purpose is to benefit the environment. This financial operation can be carried out by individuals, equity firms, hedge funds or corporations as well.

In other words, Green investment are investment activities that focus on companies or projects committed to the conservation of natural resources, the production and discovery of alternative energy sources, the implementation of clean air and water projects, or other environmentally conscious business practices.

### Review of Literature

The researcher has conducted an exhaustive literature survey in relation to the Green Investments and Green Initiatives with a primary intention of figuring out the research gaps, research problem and methodology for the current study. The various past researches were sourced using J-Gate and other data based and reviewed then as below.

Gudimetla V Satya Sekhar (2017) empirically explored the acquaint with nature of green funds, green investing companies, make overview of different green funds offered globally and suggested Indian mutual fund organizations to invest in green fund to make green India. This research learning was based on secondary data. The data has been together through various research articles, research papers and various websites and this research was descriptive in nature. Finally, this research concludes that as per the details available on various sites on internet, there are about 65 SRI or socially responsible investment funds, which “claim” to be socially responsible. Out of these, there are only SIX funds which can be really classified as Green Mutual Funds.

Nanda Sibabrata and Bihari Suresh (2012) conducted a research that empirically explores the relation between the implementation of green banking with two variables: net income and profitability using data panel regression model. However, no significant relation could be concluded between green banking and profitability. This research learning was based on primary and secondary data. This research was descriptive in nature. The main objective of this research was to study the effect of green banking on profitable banks in India.

Heim G and Zenklusen O (2005) conducted a research, the main objective of this study was to check the awareness of green banking among bank employees, associates and general public and to create awareness about green banking among the general public and consumers and bank employees. To reduce CO2 emission from electricity consumption and transportation, increase recycling (paper, toners, cartridges and batteries), increase the use of green products by bank branches. The research methodology used in this study is based on primary as well as secondary data. The primary data was collected from the study conducted through telephonic interactions and personal interviews. Specially structured questionnaires and interviews with employees, of well-established banks and general public have been used for survey purpose. Finally, it founded that investors in stock market have become environmentally sensitive and would not favor the industries that do not comply with the pollution norms.

Chandichal Shilpa and MisraSheelan (2013) had done a research to recognize that the banks are realizing the importance becoming responsive to the environmental and social factors to achieve sustainability in banking decisions. The research methodology used in this study is based on primary as well as secondary data. It emphasized on equality improvement tools of e- CRM based Websites services, Six Sigma, Business Process Re-engineering which would help the banks to implement paperless banking services.

LoluruNagarjuna (2015) in his Article On Green Financial Management Practices In The Public And Private Sector Banks: A case study of SBI and ICICI studied the investment avenues of green finance by way of green stocks and green debt which would add to the goodwill of the companies and increases the market price of the shares thus contributing to the objective of financial management. It also studied the limitations in calculation of environmental benefit. The research methodology used in this study is based on secondary data. Finally, it concludes by suggesting that the finance officers of banks must take into consideration the importance of environmental aspects in each of its policies and products due to growing demand for green commodities. This can be done by development of green indices.

JhaNishikant and BhomeSharaddha (2013) conducted an empirical study on steps taken to go green, to check the awareness of bank employees, associates and general public on green banking issues by primary data collection

from 12 bank managers, 50 bank employees and 50 general customers. This research learning was based on primary and secondary data. The researchers founded that online banking, green loans, power saving equipments, green credit card, use of solar and wind energy and mobile banking was the widely adopted banking strategies.

Priyanka Goel (2016) conducted a research the main objective of this research was to study the kind of green financial products and services being offered by Indian markets and their challenges and to understand the future scope of green finance in India. This research learning was based on secondary data. The data has been together through various research articles, research papers and various websites and descriptive type of research used here. It explains Green Banking Practices of Top Leading Indian Public and Private Sector Banks. Thus, it can be concluded that Indian has a great potential to create a green infrastructure needed for green finance by overcoming the barriers and creating awareness among the corporate citizens.

Neetu Sharma, Richa Chaudhary, and Harsh Purohit (2015) he conducted a study it has taken select top leading banks like ICICI, HDFC and AXIS from private sector banks and lastly, to know the latest steps taken by RBI for promoting such products. This literature says that there are various green initiatives which had been taken by public sector and private sector banks in India. From the secondary analysis done through exploring respective websites of the banks, Newspaper Articles, Latest annual reports 2013-2014, it was analyzed from the secondary data that select public sector banks are emphasizing more on green initiatives as compared to the private sector banks except ICICI bank. The private sector banks except ICICI bank are mainly inclined toward green initiatives such as net banking, mobile banking which are needed by the bank to match with the competitors as all the banks are providing these facilities.

Yadwinder Singh (2015) explores the green banking initiatives taken across the globe. World Bank gave E & S norms, carbon disclosure projects, compensation and liability Act, 1980, etc guidelines on green banking. United Nations has launched United Nations framework conventions on climate change in 1992. Netherlands based ABN – AMRO developed reputational risk management (RRM) policies to minimize risk in its business engagements. ‘Bank Tract’ a global network of NGO’S was formed in 2002 to extend sustainable financial help in the commercial sector. An Equator principles association formed in 2014 aims at management of environmental risk in project financing. Finally, the researcher identified organizations in India promoting environmental sustainability namely Center for Environmental Research and Education (CERE), Centre for Environmental Education and Indian green banking council. Moreover, S&P BSE-GREENEX. The researcher also highlighted the strategies of paperless banking and Green Street lending for promoting green banking. The paper also categorized the green marketing initiatives of banks into three phases on basis of their initiatives on going green.

Omid Sharifi and BentolhodaKarbalaie Hossein (2015) in their study they explain the growing importance of green banking in Indian public sector banks of state bank of India (SBI), Punjab National Bank (PNB), Bank of Baroda (BOB) and Canara Bank and conducted a SWOC -Analysis. It was found that green banking is a time saving and cost reducing practices. But it faces challenges in form of security issues to the customers, lack of training of bank employees, geographical barriers, etc. However, there exists an increase in scope of green banking practices as more consumers are becoming internet technology friendly. The authors suggested evaluation of green finance projects, LEED certified buildings and training programs for building awareness among the bank employees as measures to improve green banking initiatives.

Vishal Purohit and VarshaVijayargiya (2019) empirically explored the correlation between Global Green Indices and to understand distributional properties of Global Green Indices. This research learning was based on secondary data. The data has been together through various research articles, research papers and various websites and this research was descriptive type in nature. The study suggests that the forecasting for the aforesaid indices can be performed using econometric modeling by implementing ARIMA and GARCH models. The returns are very poor from investing into these indices, and therefore an investment provoking model has to be framed in order to enhance green investment.

Alapati Sai Bharath Reddy (2016) conducted a research which explains the green finance capitalizes the private finance refers to financial support for sustainable development. The present study, through secondary information, attempts to discuss the need, constraint and government initiative for green finance. The purpose of this paper was to aware the private investors about their role in sustainability. This research learning was based on secondary data. The data has been together through various research articles, research papers and various websites and this research is descriptive in nature. It also explains about the steps taken by the Indian financial system. Finally, it describes government of India has taken various steps for sustainable development but the private sector participation for sustainability is in the nascent stage. Because of the limited public finance, private finance has immense importance in the sustainable development. So, the development of green finance is essential. However, there are various constraints in the growth path of green finance, but the removal of these will definitely lead to the development of green finance.

Jelsy Joseph (2017) done a research to explore the creation of social awareness is required when launching a new concept on green finance, government and financial institution should establish a strategy for development in building the infrastructure of green finance to achieve the goal. Strengthening the role of financial institutions for green finance. It also aims at nurture the relation with green investors and its associated professionals and also to face the regulations of global greenhouse gases and to reduce GHG, development and support of carbon market is mandatory as it is the most cost efficient substitute. It explains the schemes for women and Green Growth in India. Finally, it concludes financial institution and government have to take measures to create awareness to the society. By proper training and awareness program by 2025 a complete democratization of green finance in India can take place, so that individual investors, corporations, banks and all financial institutions and intermediaries will have their financial tools at their disposal to shift the economy towards sustainability. Though there are uncertainties, the shift to Green is clear, consistent and unstoppable.

Choudhury, TonmoyToufic. Salim. Al Bashir, Mamoon. &Saha, Prakash (2013) conducted a research which highlighted the benefits, challenges and strategic aspects of Green banking with two major objectives. First was to caricature the existing scenario of Green banking practices and the second was to accentuate how individual and institutional stakeholder forces such as regulatory, managerial or environment can affect the deliberate environmental behavior of banks performing. The findings of the study shed light on the fact that the role of banks is immense in changing the habits of customers. The banks can influence people to adopt Green Banking practices just by educating them. In this way, banks can contribute to environmental improvement initiatives. Furthermore, banks can also get rid of high operational cost just by adopting friendly environmental technologies and management system. In order to suggest some recommendations to the government, customers, whole banking community and business community, both descriptive and inferential statistical analysis has been applied.

Rahman, Mustafizur& Ahsan, Ali &Motahar&Hoq, MeemRafiul (2013) in their research study they analyzed the prospects of green banking in Bangladesh. Specially, the objective of the study was to promote Green banking practices among various beneficiaries and the banking sector. In this study it aimed to study and identify opportunities for innovative environment-friendly financial products by managing environmental risk. And to prepare investment projects by designing proper environmental management system. This research learning is based on secondary data collected from several reliable sources. The sources of secondary data are annual reports of Bangladesh bank and various commercial banks, and related articles etc. The aim of Green Banking can be reflected through taking a work plan to bring changes in six main spheres of whole banking activities. Banks should be promised in bringing such changes.

Hossain, Sharif &Kalince, Tanvir Ahmed (2014) conducted a research, the main purpose of this study is to find the impact of green banking on banks performance using cross section data of 45 banks in the year 2012. For this study, six different variables namely; loans and advances (LOAN), deposits and other account (DEPO), paid-up capital (PAID), investment (INV), Green Banking (GB), and profit after tax (PAT) were considered. From

analytical results, it was found that Green Banking has a significant positive impact and Investment has significant negative impact on bank's performance. The granger F test resulted in VAR model indicated the bidirectional causalities between PAT and DEPO. Unidirectional causalities were found from loan, and paid to PAT, from LOAN and DEPO to INV, and from LOAN to PAID. Thus it was concluded that Bangladesh banks should conduct Green Banking activities more to increase their profitability, which in turn, will create sustainable growth for them in the long run.

Pooja Neemey and Lodhi (2015) haddone a study to assess the programs and initiatives taken by the Indian government and other financial institution to encourage the going green campaigns and to report that in India there is a long way to go to achieve the objective of green growth. This also explores the Initiatives taken by Indian government. The research is conducted using secondary data. The findings of this study is as far as block to green investments are concerns there are there physical barriers such as limited access to grid connections which can limit the march of green energy along with financial, behavioral and informational hurdles. Hence for the transaction to a green growth pathway, dramatic upgrades in technology, skills, policies and more viable business projects, along with an aligned public consciousness are needed.

Dipika (2015) had done a research to Study of Various Strategies Adopted by Banks For Sustainable Development. The purpose of this study is to understand how the green banking strategies are developed by Indian banks. It aims at to find out the challenges in implementation of green banking in India. The main objective of this study is to find the necessary steps required for proper implementation of green banking in India. This is an exploratory research thus methodology was based on literature review and secondary data. The research took place in two phases: The first phase was an up-to-date literature review on Green Banking and sustainable development in the banking sector and particularly in green banking that identified results, and suggested future steps. The second phase included data collection about Indian banks through secondary published source. Secondary published source were the reports on Green Banking and other relative information published on the banks and other internet sites. Finally, it concludes Green banking has been boosting to improve the environment and promoting economic growth. Until a few years ago, most traditional banks did not practice green banking or actively seek investments opportunities in environmentally- friendly sectors or business. Indian banks are far behind their counterparts from development countries. If Indian banks desire to enter global markets, it is important that they recognize their environmental and social responsibilities. Only recently have these strategies become more prevalent, not only among smaller alternative and cooperative banks, but also among diversified financial service providers, asset management firms and insurance companies

According to RBI (IRDBT, 2014) empirically explored the green banking is to make internal bank processes, physical infrastructure and IT infrastructure as effective and efficient as possible, with zero or minimal impact on the environment. They had introduced green rating standards for Indian banks, which are termed as 'Green Coins Ratings'. Under this rating system, banks are judged on the basis of carbon emissions from their operations and on the amount of recycling, refurbishment and reuse material being used in their building furnishings and in the system used by them like servers, computers, printers, networks, etc. They are also being judged on the amount of green projects finance by them and rewards or recognitions given to borrowers for turning their business greener.

Malu, Agrawal, &Jajoo (2014) conducted a research that explores banks can play an important role in reducing the carbon footprint in the society. Earlier economic development means reducing poverty, inequality and unemployment in the society, but the concept of economic development had changed to sustainable development which means "development that meets the needs of the present without compromising the ability of future generation to meet their own needs (world commission environment and development 1987). The study suggested that sustainability in the banking sector can take two forms- 1. Banks can change their routine operations through recycling programs, paperless banking, using energy efficient resources, and support for community events for reducing pollution and so on. 2.They can adopt lending and investment strategies to promote environmentally responsible projects and can also develop green products to ensure the sustainability in their core business.

Mayank Bhatia and Amit Jain (2013) conducted a research to investigate the level of awareness of Indian consumers about green products and practices and to measure the green values of the customers. It aims at to identify the brands; consumers associate with green marketing practices. The main objective of this study is to identify the factors that influences the consumer persuasion to buy green products and to understand the issues and challenges of green marketing practices. The unit of analysis in this study is the consumer level. Questionnaire survey was applied in this study to collect information from consumers. Information collected through consumer survey is utilized for further analysis and verification of hypotheses. Green consumer value scale developed by Haws et al, 2010 was adapted in this study to measure the green value of the consumers. Classification of consumers from green gauge study of roper organization (2001) was adapted in this study. 10 consumers were asked to fill the questionnaire for presenting and to identify the ambiguity in terms, meaning and issues. Finally, it concludes that consumer's level of awareness about green products found to be high but at the same time consumers are not aware about green initiatives undertaken by various government and non-government agencies signifying need for more efforts from organizations in this regard. Newspaper remains leading source of information for most of the respondents and should be utilized more for reaching out to the consumers regarding green products and practices.

The World Bank's Report (2012). The World Bank done a research which examined the important of green growth on economic policies and its implication on the welfare of people or environment. Further, the role of infrastructure investment and development in designing the better green growth policies has also been analyzed within in the report. It has also found that sustainable growth is essential at a very large scale in order to fulfill the development needs of world's poor countries. Green growth is necessary, efficient and affordable. There is need of improving environmental situations in poor countries by better policies and practices as there are 1 billion people are living in poverty. Social and political factors and lack of financial instruments are the reason behind slow greening growth.

### Research Gaps

1. There are minimal studies in Indian scenario as per as Green Investments is concerned, as majority of researches concentrated on Green Banking.
2. Researches on Green investment are still in nascent stage, so it requires a detailed study for the development of knowledge body.
3. From the majority of the past studies, it was found that there is a lack of awareness among the people in India especially in rural area regarding Green investment.
4. Most of the study done on Green investment doesn't consider the investors perception.

### Problem Statement

There is less study in Indian Scenario, there is no much more researches done on this Green investment area in India. Investors are unaware of Green investment concept most of the people in India doesn't have the basic knowledge about Green Investment and there is a Lack of Government & RBI initiation in developing Green finance, Government had implemented the Green investment schemes but it is not taking any action to develop this scheme.

There is no thorough study done in this area, as majority of researches concentrated on Green banking. There is a less study which is done on Green investment to know the awareness and Green initiates among the investors. In future Green investment has a high scope but it is not known by everyone. The researches done on this Green investment is not compare the Green investment with other investment avenues, this comparison may tell the importance of Green investment which helps the investors to make investment decision.

### Research Objectives

The following are the research objectives set for the study

1. To determine the awareness of Green Investments and Green Initiates among the investors.

2. To analyse the association between investors Green Investment awareness level and their selected Demographic Characteristics.
3. To understand the present status and future scope of Green investments in India.

### Data and Methodology

The type of research used in this study is descriptive in nature. The non-probability sampling technique and convenience sampling method are used for selecting the respondents for the study. The sample unit chosen for the study is retail individual investors from Mysuru city. The primary data required for the study was collected from 100 respondents using structured questionnaire via online mode. The secondary data is also used in the study mainly for finding the research gap and identify the problem areas for the current study. The source of secondary data are research articles, textbooks, journals, and various research papers and websites. The following hypotheses set and tested using one sample t-test and chi-square test.

**H<sub>0</sub>:** There is a low level of awareness of Green Investment and Green Initiatives among the Investors.

**H<sub>1</sub>:** There is a high level of awareness of Green Investment and Green Initiatives among the Investors.

**H<sub>0</sub>:** There is no significant association between investors Green Investment awareness level and their selected Demographic Characteristics.

**H<sub>1</sub>:** There is a significant association between investors Green Investment awareness level and their selected Demographic Characteristics.

### Results and Discussion

#### Respondents Profile Analysis

In this part, the researcher has conducted a detailed analysis on the respondent's demographic characteristics. The results of the same is as below.

**Table 1 Respondents Profile**

Investors Profile	Group	Frequency	Percentage
<b>Gender</b>	Male	55	55
	Female	45	45
<b>Age Group</b>	18-25	11	11
	25-35	47	47
	35-45	19	19
	45-55	15	15
	55 & above	8	8
<b>Marital Status</b>	Single	64	64
	Married	36	36
<b>Educational Qualification</b>	High school	3	3
	PUC	7	7
	Under graduation	30	30
	Post-graduation	51	51
	Other	9	9
<b>Occupation</b>	Salaried	39	39
	Business	12	12
	Self-employee	6	6
	Professional	14	14
	Others	29	29

<b>Annual Income</b>	Below 50000	33	33
	50,000 to 1,50,000	29	29
	1,50,000 to 3,00,000	17	17
	3,00,000 to 6,00,000	10	10
	6,00,000 and above	11	11
<b>Percentage of Monthly Investment</b>	Less than 10%	38	38
	10% to 20%	29	29
	20% to 30%	18	18
	30% to 40%	7	7
	40% & above	8	8
<b>Investment Options</b>	Shares	8	8
	Fixed deposits	13	13
	Real estate	4	4
	Debenture	1	1
	Mutual funds	8	8
	Insurance	23	23
	Others	43	43
<b>Investment Objective</b>	Income	23	23
	Capital growth	15	15
	Environmental sustainability	11	11
	Safety	27	27
	Speculation	0	0
	Tax minimization	5	5
	Others	19	19
<b>Sources of Investment</b>	News paper	10	10
	TV	10	10
	Family and friends	38	38
	Brokers	5	5
	Self-knowledge	37	37

**Gender:** The above analysis shows that there are 55 male respondents with constitute about 55% amongst total of 100 respondents. Also, the data reveals that there are 45 female respondents whose percentage is 45%. It also observed that, compare to male respondents there are less number of female investors responded for the awareness analysis of Green investment.

**Age Group:** About 47% of the respondents was aged between 25-35 years. The second largest number of respondents were aged between 35-45 years. Only 8 among 100 respondents was aged above 55 years. It also observed that, compare to 25 to 35 age group respondents less number of respondents are belonging to 55 and above Age group. It reveals that the people under the 25 to 35 age group have a more knowledge about investment.



**Marital Status:** The analysis exhibits that 64 respondents constitute of 64% are single amongst total of 100 respondents. This survey also reveals that there are 36 respondents are married amongst total respondents. By analyzing the above data there are high number of investors are single, and in the same way married investors are less in this area

**Educational Qualification:** The analysis shows that 51% of the respondents have completed their Post-graduation and the same way it shows that there are 3% of respondents have completed their high school. It clearly indicates that about 90% of the respondents have minimum of graduation.

**Occupation:** The analysis shows that there are 39 salaried respondents amongst total of 100 respondents. Also, the data reveals that there are 6 self- employees whose percentage is 6%. It also observed that, in this particular investment area there are a smaller number of self-employees. Hence there are only 6 self-employees responded to our survey.

**Annual Income:** It showed that 33 (33%) respondents have an annual income of below 50,000 amongst total of 100 respondents. Also, the data reveals that there are 10 respondents who earns Rs. 3,00,000 to 6,00,000 annually. It also observed that, in this particular investment area there are higher number of respondents with an annual income of below 50,000 are responded to our survey.

**Percentage of Monthly Investment:** The analysis exhibited that there are 38 respondents invest less than 10% of their income amongst total of 100 respondents. Also, the data reveals that there are 7 respondents spent their 30% to 40% of income in investment. Above analysis also states that the highest number of investors used only 10% of their income for investment.

**Investment Option:** It indicates that 23% of the respondents chosen insurance for investment and it also reveals that only 1% respondents prefer Debenture for investment. The above analysis also clearly shows that large number of respondents chosen other investment area rather than shares, fixed deposits, real estate, debenture, mutual funds, insurance.

**Investment Objectives:** The above table indicates the investment objective of selected respondents for the study. It has been found that 27% of respondents are investing for their safety and 23% of respondents have an objective of getting income. It also states that no one has an objective of speculation among the total selected 100 respondents for the study.

**Sources of Investment Information:** The above table shows the respondent's sources of investment information selected for the study. It reveals that 38% of respondents get investment information by family and friends and 37% of respondents get investment information through their self-knowledge. Above analysis also states that there are less number of respondents i.e. 5% of total 100 respondents were get investment information through brokers.

### Awareness Analysis

In this section, the level of awareness among the selected investors about Green Investment and Green initiatives, is analyzed using one-sample t-test. For this purpose, the researcher collected investors opinion on five different items using five-point scale, later, the mean of the same variable is tested for difference from mid of 2.5 it tests whether the awareness level is low, medium or high. For testing the awareness level among investors, the below hypothesis is set.

### Hypothesis

**H<sub>0</sub>:** There is a low level of awareness of Green Investment and Green Initiatives among the Investors.

**H<sub>1</sub>:** There is a high level of awareness of Green Investment and Green Initiatives among the Investors.

**Table 2 One Sample t-Test Statistics**

One-Sample Statistics			
Particulars	N	Mean	Std. Deviation
Green Investment Awareness	100	2.3900	1.17116

**Table 3 One Sample t-Test Results**

One-Sample Test			
Particulars	Test Value = 2.5		
	t	df	Sig. Value
Green Investment Awareness	-.939	99	0.175

The sample t-test results show that the awareness level among the investors in Mysuru city with regard to the Green Investment opportunities is low as p-value of one tail test is more than the alpha value of 2.5% (0.025).

### Association Analysis

In this section, the researcher has conducted an Association analysis between the Awareness about Green Investment and Green Initiates among the selected Investors with some of the selected Demographic Characteristics like Gender, Age, Marital Status and Education Qualification. For testing the association, the Chi-Square test is used. The hypothesis and test results are below.

### Hypothesis

**H<sub>0</sub>:** There is no significant association between investors Green Investment awareness level and their selected Demographic Characteristics.

**H<sub>1</sub>:** There is a significant association between investors Green Investment awareness level and their selected Demographic Characteristics.

**Table 4 Chi-Square Test Results**

Association of Awareness of Green Investment with	Test Value	df	Sig. Value
Gender	8.16	3	0.043
Age Group	21.54	12	0.043
Marital Status	2.87	3	0.412
Educational Qualification	9.19	12	0.687

The Chi-Square test results indicate that the existence of Association between Green Investment Awareness and Gender and Age Group as the test p-value for these two demographics is less than 5%, hence the null hypothesis is rejected. And for other two demographics, Marital Status and Educational Qualification, found no association with awareness about green investments.

### Investment Barrier

**Table. 5 - Investors Perception Towards the Barriers in Choosing Green Investment over the other Investment Avenues**

Barriers of Green Investment	Mean value
Price	2.41
Lack of information	2.32
Low return	2.36
Fear of being cheated	2.17

Lack of interest	2.06
Lack of effectiveness	2.16
Unwillingness to change	2.03
Reliability of using	2.19
Returns are uncertain	2.16

The respondents were asked to rate each factor according to its significance as a barrier to selecting the Green investment over the other investment avenues. The data gathered was then assessed and analyzed based on the mean values as per above table. Understanding the barriers is helps to develop green investment concepts and it also help to identify ways to promote sustainable methods for implementing green investment concept. It is necessary to understand the barriers that exist from a stakeholder perspective in order to provide pragmatic solutions and recommendation to mitigate such barriers to expedite the growth of a sustainable development. The results demonstrate that the two most important barriers highlighted, considered by respondents to be of almost equal importance, were “lack of information” (mean = 2.41) and “low return” (mean=2.36). This shows that both a lack of information and low return are the main barriers which effecting the investors while choosing Green investment. To overcome from this barrier there is a need for regulation and policy to keep pace with best practices to allow more regulatory power as it required. The need to enforce sustainable construction is important, as highlighted by Dickie and Howard; “what is built today will provide the built environment of the future and will influence the ability of future generations to meet their needs”.

Conversely, the barriers considered least barriers were “lack of interest” (mean=2.06) and “willingness to change” (mean=2.03). As green investment is a fairly new concept, it is important to convey the goals and benefits of green investment to all investors in order to achieve successful execution of green investment projects. Educating the relevant parties in order to raise awareness of green concepts is vital in order to overcome several obstacles to the dissemination of green investment, such as lack of awareness and information. Economic incentives are equally important steps that government can provide to implementing the green concepts.

The result also exhibits the rest of the barriers that are “price” (mean=2.32), “Fear of being cheated in the name of green concept” (mean=2.17), “Lack of faith in effectiveness of green features” (mean=2.16), “Reliability of using renewable energy sources” (mean=2.19), and “Return are uncertain” (mean2.16). Above analysis also states that it needs regulations and development programs to overcome from these barriers.

### Conclusion

Finally, it concludes that investors as per the present study are not aware about the green investments and green initiates as there are about 41% of the respondents who are partially aware of green investment and 30% of the respondents never heard the concept of green investments. However, it was found that gender and age groups have significant association with the awareness level among the investors. To overcome from this government should bring stable policy framework for Green investment. Awareness among investors and consumers about green finance is essential for the sustainable development of economy so this study creates awareness among the people. India has a great potential to create a green infrastructure needed for green investment by overcoming the barriers and creating awareness among the corporate citizens. By proper training and awareness program by 2025 a complete democratization of green finance in India can be take place, so that individual investors, corporations, bank and all financial institutions and intermediaries will have their financial tools at their disposal to shift the economy towards sustainability.

Hence for the transaction to a green growth pathway, dramatic upgrades in technology, skills, policies and more viable business projects, along with an aligned public consciousness are needed.

In order to minimize import dependency in the conventional Green Finance sectors, the Indian Government is increasingly focusing on strategies for enhancing green investment funds and utilizing financial sources. The main emphasis here is on MSMEs, because of their great importance for the Indian economy and in light of their huge potential for pooling funds for strengthening the going green pathway.

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## PERFORMANCE EVALUATION OF MUTUAL FUNDS: A COMPARATIVE STUDY ON SELECTED INDIAN MUTUAL FUNDS

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### Abstract

Investment is an allocation of money with an expectation of future returns. It generates income and appreciates in future. It is an opportunity to purchase for future to create wealth and not for present consumption. Mutual fund is such an investment avenue that acts as an intermediary between financial institution and small investors. Investment in Mutual funds not only facilitates in buying and selling of shares on behalf of the investors but also aids in mobilising savings from large number of investors and invest funds in shares and other securities. Mutual fund is an investment tool that creates a bridge between individual investors and corporate giants. Asset Management companies provides an investment avenue to individuals, retailers and corporate giants. Mutual funds are considered as a popular source of investment avenue available, as they are cost efficient and easy to invest. The main purpose of this paper is to understand the performance, risk and return of mutual funds using secondary sources of data. It is evaluated using Standard deviation, Sharpe's ratio, Treynor's ratio, Beta and annual return.

**Keywords:** Mutual Funds, Investment, Investors, Performance, Financial institution.

### Introduction

In India, globalization and literacy rates has created a positive impact on the income level, thereby, created the practice of savings among the individuals. The returns received from the investment has a positive impact on the individuals also focusing on more number of such savings and also investment avenues. The banking sector of the country has played a significant role in creating various sources of investment. Apart from this, capital market and money market are also certain sources of investment mechanism in the country. However, due to volatile market conditions and lack of awareness, limited investors focus on investing in capital and money market. There are certain financial intermediaries facilitating in investment opportunities. Mutual funds are also one such good investment avenues available today. This industry also noticed rapid changes over the years mainly due to the existence of Multinational companies, resulting to professional expertise for management of funds effectively. Depending on individuals need there are plenty of mutual funds schemes available in the market today. This mutual fund companies strives to offer funds with lower risk and profitability within a short period of time and also with the aim of diversification of portfolio (Tankasali.P.S and Kolhar.S.M, 2014).

Mutual funds are collective investments regulated as well as sold to general public on daily basis. This money collected is thus invested in various capital market instruments like shares, debentures and other securities. The returns and capital appreciation realized from the funds are distributed among unit holders according to the number of units owned by them (Raju.J.K, Manjunath.B.R, Nagaraja.G.M ,2015). Mutual fund companies act as a bridge between the investors and market to pool funds and invest the same in the financial market. Mutual funds are collection of funds in which investors make their savings through a fund house, later the amount is invested in several companies and also in different sectors in order to diversify the risk (Arora.R and Raman.T.V, 2020). The government sponsored first mutual fund company in India was the Unit trust of India established in 1963. It was the only company offering mutual funds in the country till the private sector banks get eligibility in 1980's (Kale.J.R and Panchapagesan.V, 2012). Later, number of government-controlled Indian financial companies established their own mutual funds, including State Bank of India, Canara Bank, and Punjab National Bank. In India, the first private sector fund to operate was Kothari Pioneer, which later merged with Franklin Templeton (AMFI).

Individuals have lot of confusion in the selection of appropriate mutual fund schemes as there are plenty of schemes available for investment. The investment made in mutual funds are with different expectations. Certain investors are risk averse and prefer lower but regular returns. On the other hand, certain investors strive to manage risky funds with the expectation of higher returns. Hence, suiting the expectation of different investors is highly important. This paper, therefore, focusses on understanding the performance of mutual funds schemes and select the funds that are most beneficial on the basis of their performance and returns.

### Review of Literature

The study reviewed scholastic literatures on performance evaluation of mutual funds. Mutual funds are considered as a source of Investment avenue among the Indian households (Zaheeruddin.M, et.al 2013). The performance of mutual funds plays a significant role for making investments. Therefore, awareness level and verifying the product performance through facts sheets are highly important (Naik.R.M and Senapathy. M R, 2013). The performance evaluation of mutual funds can be found in (Narayanasamy. R and Rathnamani V, 2013) using alpha, beta, standard deviation, r-square and Sharpe ratio. The performance of HDFC top 200, Franklin India blue chip, DSPR top 100 Reg, ICICI prudential top 100 funds was found to be better even during severe fluctuating market conditions. The study also suggested to consider parameters like alpha, beta and standard deviation before investing in mutual funds as these are some of the factors influencing the steady performance in mutual funds apart from NAV and total return. Goyal M M (2015) examined the performance evaluation of mutual funds using Sharpe's measure, Treynor's ratio and Jensen's Alpha. It was found that Franklin India Opportunities fund indicated higher average return and lesser level of risk. The fund is less risky and it attracts investors to a large extent as investors expect higher returns and lower risk. Zaheeruddin.M, et.al (2013) analysed the performance of ICICI Focused Blue chip equity fund, HDFC Long term equity fund and Birla Sun Life mutual fund. The results of the study revealed that market risk and company risk of Birla sun life mutual funds is higher. However, ICICI mutual funds has lower risk compared to other funds considered for the study. The performance of ICICI fund was found to better compared to other funds. Naik.R.M and Senapathy.M R (2013) found performance of SBI mutual funds was better compared to other funds considered in the study. The study evaluated the performance using Standard Deviation, Sharpe Ratio, Beta, Alpha and Expenses ratio. This study also revealed that mutual fund companies should not only focus on high net worth individuals/institutional-non institutional investors but also focus on other sectors of the investors. Shukla.S (2015) examined the performance of selected mutual funds of mid and small cap, large cap, multi cap, infrastructure and hybrid funds. The results of Sharpe's ratio revealed that ICICI Pru. Value Discovery Fund has higher Sharpe's ratio and thereby, there exists higher return with high risk. It is also found that hybrid funds are less risky because of the component of debt. The study used parameters such as alpha, beta, standard deviation, r-squared and Sharpe ratio to evaluate the level of risk and performance of funds. QamruzzamanMd (2014) evaluated the performance of mutual funds at Bangladesh. It was found that performance of Sixth ICB mutual fund is better as the Sharpe's ratio is higher. Adhav.S.M and Chauhan.P.M (2015) found that Ultra short term debt fund has highest Sharpe ratio and short term GILT fund noticed the least Sharpe's ratio. Maheswari.Y (2020) focused on analyzing the performance of mutual funds using Sharpe's model and Treynor's model. The findings revealed that performance of Reliance mutual funds are better compared to UTI and Birla mutual funds. Further, systematic risk analyses found that investment in Reliance funds are risky. However, higher the risk, returns are also found to be higher compared to other funds.

Gandhi.R.K and Perumal.R (2015) examines the performance evaluation of equity diversified and equity mid cap mutual fund schemes. It is found that under the equity mid cap funds, the performance of HDFC capital builder is found to be better. On the other hand, in case of equity diversified scheme Canara Robeco was found to be better. In total, this study reveals that equity diversified (G) scheme was found to be ideal. The study also suggests that, fact sheets should be clearly checked and choose the appropriate and the best fund. Dhanda.S.K, et.al (2012) revealed that performance of HDFC top 200 fund is good on the basis of Standard deviation, beta, Sharpe ratio and Treynor ratio. The study also considers a benchmark as BSE 30 and during 2010-11 the performance of all the schemes was found to be higher than the benchmark. Bah.S and Rani.M (2012) evaluated 29 open ended and growth oriented equity schemes using Sharpe's model, Jensen measure and Treynor's model facilitating the

investors to take better investment decisions. BSE Sensex index is considered as the benchmark index and among 29 schemes 16 have found to have better Sharpe's ratio. The results of Treynor's ratio and Jensen's alpha indicated, performance of 19 schemes was better than the benchmark index. HDFC Top 200 Growth fund had highest Sharpe's ratio, Treynor's ratio was found to be higher in UTI equity fund growth fund. Kotak Opportunity Fund – Growth was found to be better performer as per the analysis of Jensen ratio. However, there is limited literatures on the comparative performance evaluation of mutual funds that are considered for this study. It is therefore, this paper focusses on filling the gap in the existing domain of knowledge.

### Objectives of the study

1. To conduct risk return analysis of selected Mutual funds.
2. To evaluate the performance of selected Mutual funds.

### Research Methodology

This study evaluated the comparative performance of mutual funds using secondary sources of published data. It has identified 8 mutual fund schemes such as Canara Robeco Bluechip Equity Fund - Regular Plan – Growth, JM Large Cap Fund – Growth, Franklin India Bluechip Fund – Growth, SBI Blue Chip Fund - Regular Plan – Growth, Axis Bluechip Fund – Growth, Mirae Asset Large Cap Fund - Regular – Growth, HSBC Large Cap Equity Fund – Growth and BNP Paribas Large Cap Fund – Growth. This study used standard deviation, beta, Sharpe's ratio and Treynor's ratio of 3 years to understand the risk and performance evaluation of mutual funds. In addition, Net asset value and annual returns was also analysed to understand the returns.

### Tools used for the analysis of data

- **Sharpe Ratio** – Sharpe ratio is used for calculating risk adjusted return. This ratio calculates the excess amount of return above the risk free rate for every unit of risk. Statistically, Sharpe ratio is the difference of annual return with risk free return divided by the standard deviation during specified period. The performance rating of the scheme is measured on the level of Sharpe ratio. Higher the Sharpe's ratio higher the performance of mutual fund schemes. If there are two schemes delivering the same return, the investor can choose the one with higher Sharpe ratio as it display the ability of better risk adjustment.

$$\text{Sharpe Ratio} = \frac{\text{Portfolio return} - \text{Risk free return}}{\text{Standard deviation of the Portfolio}} \quad (1)$$

$$\text{Sharpe Ratio} = \frac{r_p - r_f}{\sigma_p} \quad (2)$$

Here,  $r_p$  is the rate of return of a mutual fund,  $r_f$  is the risk-free rate and  $\sigma_p$  standard deviation of the portfolio.

- **Treynor ratio:** The basis of measurement here is systematic risk which is similar to Sharpe ratio. The only difference from the Sharpe ratio is that Treynor ratio considers Beta as the measurement of fluctuation. A investor can prefer the scheme with higher Treynor ratio which indicates the scheme has excess return per unit of systematic risk.

$$\text{Treynor's Ratio} = \frac{\text{Portfolio return} - \text{Risk free return}}{\text{Beta of the Portfolio}} \quad (3)$$

$$\text{Treynor's Ratio} = \frac{r_p - r_f}{\beta_p} \quad (4)$$

Here,  $r_p$  is the rate of return of a mutual fund,  $r_f$  is the risk-free rate and  $\beta_p$  indicates portfolio Beta.

- **Standard Deviation:** Standard deviation (SD) measures the fluctuation in return on fund in comparison with its average, this expresses about how the return deviates from historical mean. The volatility here is measured in

different ways. Standard deviation compares the return on individual investment over a specific period to its average return over the same period, rather than investment's return with a benchmark. Higher the individual return deviate from the average investment return, higher is the standard deviation, which implies that, the scheme is more volatile. Investors choose to make investment in less volatile schemes.

$$\sigma = \frac{\sqrt{\sum(x - \bar{x})^2}}{N} \quad (5)$$

Here, x is return of portfolio,  $\bar{x}$  average return of portfolio and N is number

- **Beta:** Beta is described as how the estimated return of investment is correlated to the market return. Beta measures fluctuation in mutual funds return, comparative to the index and it is the level to which there is influence of market factors on fund return. The value of Beta does not indicate the risk of loss, but the short term movements of the investment. The market index has assigned beta value of 1.0. Beta below the level of 1.0 indicates that fund is less volatile than the market, however, the market is considerably uncertain for a specific period of time.

### 3.Data Analysis and interpretation

This study using secondary sources of data analysed various tools like ratios, beta, Standard deviation for evaluating the performance and risk return of mutual funds. The analysis of the study are as under:

**Table No.4.1. Standard Deviation**

Schemes	Standard Deviation
Canara Robeco Bluechip Equity Fund - Regular Plan - Growth	19.39
JM Large Cap Fund - Growth	10.16
Franklin India Bluechip Fund - Growth	21.53
SBI Blue Chip Fund - Regular Plan - Growth	21.12
Axis Bluechip Fund - Growth	18.34
Mirae Asset Large Cap Fund - Regular - Growth	20.96
HSBC Large Cap Equity Fund - Growth	21.01
BNP Paribas Large Cap Fund - Growth	19.10

(Source: Secondary data)

The above table no 4.1 depicts the Standard deviation of mutual funds. Franklin India Bluechip Fund – Growth (21.53) have the highest standard deviation and JM Large Cap Fund – Growth (10.16) has the lowest SD. The SD of Franklin India Bluechip Fund – Growth (21.53) is highly volatile and riskier. Thus, JM Large Cap Fund – Growth with lower risk is better for investment.

**Table No.4.2. Beta**

Schemes	Beta
Canara Robeco Bluechip Equity Fund - Regular Plan - Growth	0.89
JM Large Cap Fund - Growth	0.44
Franklin India Bluechip Fund - Growth	0.93
SBI Blue Chip Fund - Regular Plan - Growth	0.96
Axis Bluechip Fund - Growth	0.81
Mirae Asset Large Cap Fund - Regular - Growth	0.97
HSBC Large Cap Equity Fund - Growth	0.98
BNP Paribas Large Cap Fund - Growth	0.86

(Source: Secondary data)

From the above table no.4.2 beta value of mutual fund schemes can be noticed. It indicates that HSBC Large Cap Equity Fund – Growth has the highest beta of 0.98 and there is existence of high risk. The beta value of JM Large Cap Fund – Growth is 0.44 indicating lower risk. Thus, JM Large Cap Fund – Growth should be considered as it has lower beta indicating lower risk fund.

**Table No. 4.3. Annual Return**

Scheme	One Year return (%)
	Regular
Canara Robeco Bluechip Equity Fund - Regular Plan - Growth	61.22
JM Large Cap Fund - Growth	41.44
Franklin India Bluechip Fund - Growth	77.51
SBI Blue Chip Fund - Regular Plan - Growth	72.22
Axis Bluechip Fund - Growth	52.5
Mirae Asset Large Cap Fund - Regular - Growth	69.15
HSBC Large Cap Equity Fund - Growth	62.13
BNP Paribas Large Cap Fund - Growth	55.77

(Source: Secondary data)

The above table no.4.3 indicates the annual return of mutual fund schemes. The annual returns of Franklin India Bluechip Fund – Growth and SBI Blue Chip Fund - Regular Plan – Growth was found to be 77.51 and 72.22 respectively. JM Large Cap Fund – Growth has the minimum returns of 41.44 among the funds considered for the study. It is therefore, Franklin India Bluechip Fund – Growth has the maximum returns indicating better performance.

**Table No.4.4. Net Asset value**

Scheme	2020	2021
Canara Robeco Bluechip Equity Fund - Regular Plan - Growth	34.27	35.92
JM Large Cap Fund - Growth	81.47	84.18
Franklin India Bluechip Fund - Growth	579.88	626.08
SBI Blue Chip Fund - Regular Plan - Growth	50.31	52.71
Axis Bluechip Fund - Growth	37.73	39.71
Mirae Asset Large Cap Fund - Regular - Growth	63.82	66.99
HSBC Large Cap Equity Fund - Growth	262.19	274.91
BNP Paribas Large Cap Fund - Growth	115.08	120.80

(Source: Secondary data)

The aforementioned table no 4.4 depicts the Net asset value of mutual funds. It is evident from the above table that NAV for all funds considered for the study has increased comparatively to the last year. Franklin India Bluechip Fund – Growth has the highest NAV during 2020 and 2021. On the other hand, Canara Robeco Bluechip Equity Fund - Regular Plan – Growth has the least NAV of 34.27 and 35.92 in 2020 and 2021 respectively.

**Table.No.4.5. Sharpe ratio**

Schemes	Sharpe's Ratio
Canara Robeco Bluechip Equity Fund - Regular Plan - Growth	0.63
JM Large Cap Fund - Growth	0.54
Franklin India Bluechip Fund - Growth	0.37
SBI Blue Chip Fund - Regular Plan - Growth	0.36
Axis Bluechip Fund - Growth	0.61
Mirae Asset Large Cap Fund - Regular - Growth	0.45
HSBC Large Cap Equity Fund - Growth	0.35
BNP Paribas Large Cap Fund - Growth	0.48

(Source: Secondary data)

The performance of mutual funds can be analyzed using Sharpe ratio. Higher the ratio better is the performance of the funds. It is therefore, revealed from the above table no.4.5 that HSBC Large Cap Equity Fund – Growth with the ratio of 0.35 has the least value. Canara Robeco Bluechip Equity Fund - Regular Plan – Growth has higher Sharpe's ratio of 0.63 indicating the good performance in association with the risk involved in the fund.

**Table No.4.6. Treynor's ratio**

Schemes	Treynor's Ratio
Canara Robeco Bluechip Equity Fund - Regular Plan - Growth	0.14
JM Large Cap Fund - Growth	0.13
Franklin India Bluechip Fund - Growth	0.09
SBI Blue Chip Fund - Regular Plan - Growth	0.08
Axis Bluechip Fund - Growth	0.14
Mirae Asset Large Cap Fund - Regular - Growth	0.10
HSBC Large Cap Equity Fund - Growth	0.08
BNP Paribas Large Cap Fund - Growth	0.11

(Source: Secondary data)

Higher the Treynor's ratio better is the performance of the funds. It is therefore, noticed from the above table no.4.6 that Canara Robeco Bluechip Equity Fund - Regular Plan – Growth and Axis Bluechip Fund - Growth has ratio of 0.14 each indicating better performance of the funds. However, least Treynor's ratio (0.08) was observed in HSBC Large Cap Equity Fund – Growth and SBI Blue Chip Fund - Regular Plan – Growth respectively. Hence, Canara Robeco Bluechip Equity Fund - Regular Plan – Growth and Axis Bluechip Fund – Growth should be considered as it has the highest ratio indicating better performance of the funds.

### Findings and Conclusion

Mobilizing savings is very important for developing countries like India. Investments are also one of the source of earning returns. There are wide array of investments available in today's fast growing world. In India, investment in banking sector exists from time immemorial. In addition, capital market and money market are also the source of investment. However, with the existence of uncertain market conditions and risk of investment there are limited individuals interested in the investment in capital and money market. Mutual funds are also a good investment avenue available and it also acts as a financial intermediary to invest in capital and money market indirectly. Thereby, individuals interested to invest in capital and money market are facilitated by investments in mutual fund. Investment in mutual funds enables to diversify portfolio and on the other hand it diversifies the risk. This study,

therefore was conducted to understand the performance of selected mutual fund schemes and also analyse risk return of mutual funds. The analysis of Sharpe's ratio revealed that performance of Canara Robeco Bluechip Equity Fund - Regular Plan – Growth is found to be good. Treynor's ratio also finds that Canara Robeco Bluechip Equity Fund - Regular Plan – Growth and Axis Bluechip Fund – Growth funds have highest ratio indicating better performance of the funds. In addition, Beta and Standard deviation were used to analyse the risk of mutual funds. Hence, JM Large Cap Fund – Growth with lower risk is best suited for investment. Further, Franklin India Bluechip Fund – Growth was found to be better in case of the analysis of annual return and Net asset value. It is therefore, concluded that Canara Robeco Bluechip Equity Fund - Regular Plan – Growth is better in case of performance, JM Large Cap Fund – Growth fund is considered as low risk investment and in respect to annual return Franklin India Bluechip Fund – Growth fund has the highest returns.

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## RECOVERY CHANNELS OF NPA IN SCHEDULED COMMERCIAL BANKS

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### **Abstract**

*The best record for the proportion of the strength of the financial business in a nation is its volume of Non-Performing Resources (NPAs). The extending number of NPAs in planned business banks is a significant worry in India. The best remedy to reduce the number of NPAs depends on good management of recovery mechanisms. The entire data has been collected from different sources, and the analysis purposes regression and correlation has been done. This study focuses on the relationship and the effect of recovery channel on the level of non-performing assets. And also analyze whether there is any change in level of NPA after the implementation of recovery mechanism in the banking industries. The researcher concluded that recovery channels were not well contributing for the recovery of NPA. Even though the recovery channels are performing level in recovering the cases it has neither brought changes in number of cases getting registered.*

**Keywords:** *Debt Recovery Tribunal, Insolvency And Bankruptcy Code, Lok Adalath, Non-Performing Assets, Sarfaesi.*

### **Introduction**

The bank have an essential part in monetary improvement of a country, which relies on organized monetary framework which incorporate business and agreeable banks, likewise some of unfamiliar and private banks for the making of credit, channelize of asset, account to government. The principle capacity of banks in concentration to business banks the essential capacity was to channelize the saving individuals and offer credit to the deficiency area having more vulnerable point. The effectiveness of the bank relies on the productivity of the bank, the nature of resources it have an obligation recuperation of the bank.

Till 1991 the resource quality was not an excellent worry for the banks in India. The fundamental goal on that period was opening wide organizations/branches, advancement of rustic regions, need area loaning, higher work age, and so on as of late the banks have become very alerts in expanding credits.

The explanation being climb nonperforming resources (NPAs) and these days these are one of the significant worries for banks in India. After the appeal of Narasimham Panel in 1991, it was tracked down that Indian banks are troubled with gigantic measure of Non-Performing Resources because of which banks had gone monetarily feeble.

At the point when RBI gave prudential standards in the year 1992-1993, the idea of Non Performing Assets(NPA) developed as a current day issue . The Hold Bank of India arrangement the NPA's recuperation has planned a few obligation recuperation channels like Obligation Recuperation Tribunals(DRT),Lok Adalats , SARFAESI-Act andInsolvency and Bankruptcy Code. Each second administration of India taking measures to limiting the non-performing resources.

### **Review of Literature**

Alamelumangai. R, Sudha .B (2019) in this examination, they endeavor Is to made to inspect the viability these channels, for example, DRT, LOK ADALATH, SARESESI have seen the decrease in their pace of NPA recuperation. They dissected that the yearly pace of recuperation out of the sum associated with the current channels are not acceptable. They broke down with the assistance of single direction ANOVA, pattern examined looking at of 13 years reports from RBI reports. This examination unveil that, the yearly pace of recuperation out of the sum associated with the current channels are not agreeable and furthermore it shows that since quite a while ago run of cases in DRTs has straightforwardly sway the NPA.

Dheenadhayalan.V (2019) This paper is endeavor towards analyzing the presentation of recuperation diverts in overseeing non-performing resources in planned business banks in India. In this investigation feature that SAREAESI Act were the major contributing things in the NPA's recuperation framework followed by DRT and LOK ADALAT in India during study period from 2006-07 to 2016-17. The information were deciphered with the factual instruments like one way anova, standard deviation, coefficient of variety, mean. In this examination GNP-NNP tracked down that disturbing increment of NPA during the most recent 3 years. It shows that certainly hamper the development banking areas. The proficiency of SCB have recuperated more sum through the SAREAESI Act.

Payal Ghaloth (2019) this paper make effort, to know about the NPA and factors contributing to NPA's the reasons for high level of NPA and their impact in banking operation of India and magnitude of NPA. It is analyzed that NPA affect the public sector banks the most because of the excessive disparities among the administration. Private sector banks are comparatively more stable in the level of NPA and also the asset quality is better. Data has collected from 2014-2018 from different website. Different analysis tools has been used for this study they are ratio, correlation, has been analyzed through SPSS statistical tool. This windup of the study shows that NPA has a very significant impact as the profitability of both public private sector banks. It reveals that public money in large is in large stake with the public sector banks & the presentation of public bank.

Manoj Kumar Sahoo, Muralidhar Majhi (2020) the study finds the recovery management system of Non-Performing Assets. There are many recovery channels through which the banks recover NPA. The major finding of the recovery mechanism in banking industry is very poor. The data which is used in the present study on the time span of 2010-2019. The one-way ANOVA, t-test has been used to analysis. The study finish with that DRT's are taking more time and decision in this tribunal is as lengthy as it can be challenged in higher court. And also the present recovery channel are not sufficient to deal with the problem.

Gudala Syamala Rao (2020) this paper attempts towards, to study the status of NPA in public sector and private sector banks and its management. The data has been collected from the annual report of RBI and different kinds of journal.

Muzamil Hussain, Deepti Maheshwari, (ET cl) (2021) this paper tries to make an effort to explain NPA, its status as well as pattern of NPA in commercial bank, the factors leading to NPA explanation regarding high effect of NPA'S across different channels. The data which is collect from 2016-2020. The selected banks on this study claimed that no bank is enough successful in controlling its loan funds.

### **Statement of the Problem**

NPAs are narrow the growth of income and the bank's profit percentage. So, the financial permanence of the banking industry remains a question in Indian banking history. The role of recovery channels was to reduce the level of NPA, the problem regarding that was did the recovery channels working properly or not. Hence, to solve the problem of NPAs should be recovered.

### **Objective of the Study**

- To identify various recovery channels and examine the impact of various recovery channels on NPA.

### **Hypothesis**

- $H_{01}$ : there is no significant relationship between NPA and recovery channels.

### **Research Methodology**

The whole information has been gathered from auxiliary sources from yearly report on patterns and progress of banking in India, various articles, diaries the data was gathered solely after the execution of IBR (2016-2020). For the examination part relapse, and connection test the speculation through the SPSS bundle.

**Table 1 Shows the correlation between Recovery channels and NPA**

	LOK	DRT	SA	IBR	NPA
LOK	1				
DRT	-.229	1			
SA	<b>.918</b>	-.595	1		
IBR	.346	-.085	.343	1	
NPA	<b>-.935</b>	-.132	-.718	-.309	1

Sources: RBI reports

The above Table1 shows that, correlation matrix between non-performing assets and recovery channels. The is a high negative relationship between non-performing assets and LOK ADALAT with the value of -.935. Followed by SARFAESI Act and non-performing assets with the value o-.718. Which indicates that increases in performances of LOK ADALAT and SARFAESI Act would reduce than NPA level. Other than that SARFAESI Act and LOK ADALAT have high positive relationship with value 0.918.while comparing SARFAESI Act and DRT having a negative relationship. Hence it can be concluded that the null hypothesis is rejected saying that there is a negative relationship between NPA and recovery channels.

**Table 2 Shows the Model Summary of LOK ADALAT& NPA**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.935 <sup>a</sup>	.874	.811	433.90134	2.441

Sources: RBI reports

The above table shows the model summary for between LOK ADALAT and NPA. The R value=.935<sup>a</sup> which shows that there is a high positive relationship. The R squared value is .874 is that is 87.4 of variance is accounted for impact of LOK ADALAT. The Adjusted R square value is .811, implying that the model has accounted for 81.1% variance in criterion variable. The durbin Watson value 2.441 which shows that the model is suffering from autocorrelation.

<b>Table 3 Shows the ANOVA of LOK ADALAT&amp; NPA</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2611962.390	1	2611962.390	13.873	.065 <sup>b</sup>
	Residual	376540.742	2	188270.371		
	Total	2988503.132	3			

Sources: RBI reports

The tables explain the ANOVA for NPA & Lok Adalath, the significant value for the model is above 0.05, hence the null hypothesis is accepted concluding that there is no

impact of Lok Adalath on NPA.

<b>Table 4 Shows the Adjusted R of LOK ADALAT&amp; NPA</b>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.132 <sup>a</sup>	.017	-.474	1211.75603	1.072

Sources: RBI reports

This shows the model summary of DRT and NPA having the r value of .123 having positive relationship. The adjusted r square value is-.474, implying that the model has accounted for -47.4% variance in criterion variable. And durbin watson value of 1.072.

**Table 5 ,**  
**Shows theANOVA of DRT and NPA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51797.782	1	51797.782	.035	.868 <sup>b</sup>
	Residual	2936705.350	2	1468352.675		
	Total	2988503.132	3			

Sources: RBI reports

The tables explain the ANOVA for NPA&DRT, the significant value for the model is above 0.05, hence the null hypothesis is accepted concluding that there is no impact of DRT on NPA.

**Table 6**  
**Shows theCoefficients of DRT and NPA**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4786.045	303.407		15.774	.004
	lok adalat	-.446	.120	-.935	-3.725	.065

Sources: RBI reports

The above table of coefficient of DRT & NPA implies that there is no impact of DRT on NPA. Which means significant value is above 0.05.

**Table 7**  
**Shows the Model Summary of SARFSEASI and NPA**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.718 <sup>a</sup>	.515	.273	850.93163	2.556

Sources: RBI reports

The above table shows the model summary for between SARFSEASI and NPA. The R value=.718which shows that there is a positive relationship. The Adjusted R square value is .273, implying that the model has accounted for 27.3% variance in criterion variable. The durbin Watson value 2.556 which shows that the model is suffering from autocorrelation.

**Table 8**  
**Shows the ANOVAof SARFSEASI and NPA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1540333.843	1	1540333.843	2.127	.282 <sup>b</sup>
	Residual	1448169.289	2	724084.645		
	Total	2988503.132	3			

**Table 9**  
**Shows the Co-efficient of SARFSEASI and NPA**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5179.884	916.439		5.652	.030
	sarfseai	-3.675	2.520	-.718	-1.459	.282

Sources: RBI reports

The above table of Coefficients of NPA and SARFSEASI implies that there is no impact SARFSEASI of on NPA. Which means significant value is above 0.05.there is no effect of SARFSEASI Act on NPA.

<b>Table 10 Shows the Model Summary of IBR and NPA</b>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.309 <sup>a</sup>	.096	-.356	1162.41227	1.275

Sources: RBI reports

The above table shows the model summary for between IBR and NPA. The R value=.309<sup>a</sup> which shows that there is a positive relationship. The R squared value is .096 is that is 9.6 of variance is accounted for impact of IBR. The durbin Watson value 1.275 which shows that the model is suffering from autocorrelation.

Table 11 Shows theANOVA of IBR and NPA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	286098.584	1	286098.584	.212	.691 <sup>b</sup>
	Residual	2702404.549	2	1351202.274		
	Total	2988503.132	3			

Sources: RBI reports

The tables explain the ANOVA for NPA & IBR, the significant value for the model is above 0.05, hence the null hypothesis is ACCEPTED concluding that there is no impact of IBR on NPA.

Table 12 Shows the Coefficientsof IBR and NPA						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4153.643	674.643		6.157	.025
	ibr	-.009	.019	-.309	-.460	.691
Sources: RBI reports						

Sources: RBI reports

The above table of Coefficients of NPA and IBR implies that there is no impact IBR of on NPA. Which means significant value is above 0.05. there is no direct effect of IBR on NPA.

## Findings

- The study found that there is a high negative relationship between non-performing assets and LOK. Followed by SARFAESI Act. It is concluded that there is negative relationship between NPA and recovery channels.
- The R value shows that there is a high positive relationship. The R squared value shows a variance is accounted for impact of Lok Adalat. The P value is above 0.05, it is concluded that there is no impact of LOK ADALAT on NPA.
- The DRT and NPA having the r value having positive relationship. The tables explain the anova for NPA & DRT; the significant value for the model is above 0.05, hence concluded that there is no impact of DRT on NPA.
- The SARFSEASI and NPA having R value which shows that there is a positive relationship. Autocorrelation. The ANOVA for NPA & SARFSEASI, the significant value for the model is above 0.05 concluding that there is no impact of SARFSEASI on NPA.
- While IBR and NPA having the R value show that there is a positive relationship. The ANOVA for NPA & IBR, the significant value for the model is above 0.05, hence the ACCEPTED concluding that there is no impact of IBR on NPA.

### Suggestions

The study is suggested to be that even though there are powerful recovery channels in banking industry to control the level of non-performing assets, neither it is performing efficiently nor it is helping in controlling the level of NPA at instance, apart from cases get registered and recovered the volume of NPA in scheduled commercial banks have neither got reduced due to non-effective channel of recovery mechanisms there should be an increases on the awareness of these recovery channels. And also, the effective of utilization of those recovery channels has been not yet done. The existing recovery channels are not fully working the reduce the level of NPA.

### Conclusion

The study concludes that there has been difference among the number of cases and amount collected under several recovery mechanisms. This implies that the present recovery channels are insufficient to deal with the problems with NPA. There has been different recovery mechanism such as DRT, LOK ADALATH, SARFAESI & IBR for NPA recovery. Even then only sarfaesi act is considered to be quite effective in recovering NPA but has not reduced the level of NPA.

An effective measure is to taken by the banks as well as the recovery channels, the time taken to recover the NPA cases must be reduced, and no of cases must be increased. And banks must be conscious in providing loans to the inefficient customers, it must check the respective documents and concentrate on who loan must be given and take regular watch whether repayment is done properly.

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## HR STRATEGIES OF BUSINESS IN UNCERTAIN TIMES

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### **Abstract**

*Many HR leaders are addressing today's greatest issues through a familiar process: defining the problem, addressing the variables that make it complicated, and agreeing on the best way forward. But when we consider that the challenges we face in light of the pandemic are ones that many leaders have never faced before, it becomes clear that they are not just complicated (predictable) but complex (unknown). Traditional problem-solving, which is aimed at addressing the complicated as opposed to the complex, will not establish the most effective solutions. To be truly effective in this "new normal," HR leaders need to adjust and develop a new core capability: a complexity mindset. In this framework, it's crucial to tap into their organization's collective intelligence, prioritize company values, and allow solutions to emerge. Methodology: The study is based on extensive secondary literature review highlighting the issues and challenges of HR Department.*

**Keywords:** *Familiar, Complicated, Predictable, Prioritize, HR Leader, Capability, Intelligence.*

### **Introduction**

A Human Resource strategy is a business's overall plan for managing its human capital to align it with its business activities. The Human Resource strategy sets the direction for all the key areas of HR, including hiring, performance appraisal, development, and compensation. HRM stands for Human Resource Management, and human resource management strategies are the plans that lead to implementing different functions in the human resources department of an organization. HR strategies set out what the organization intends to do about its human resource management policies and practices and how they should be integrated with the business strategy and each other. The purpose of HR strategies is to articulate what an organization intends to do about its human resource management policies and practices now and in the longer term, bearing in mind the dictum of Fombrun (1984) that business and managers should perform well in the present to succeed in the future. HR strategies aim to meet both business and human needs in the organization. Today, human resource departments have a more precise, strategic role in companies, and an HR strategy affects the bottom line. In real world, no margin in the sand is drawn between human resources strategy and business strategy. A successful business owner understands the strong connection between the two. Progressing human capital is essential to the longevity and success of a business. Human resources strategy today includes executive leadership teams conferring with human resources experts to improvise complementary goals for human resources and the complete business.

### **Meaning of HR Strategy**

Strategic human resource management is the practice of attracting, developing, rewarding, and retaining employees for the benefit of both the employees as individuals and the organization as a whole. HR departments that practice strategic human resource management do not work independently within a silo; they interact with other departments within an organization in order to understand their goals and then create strategies that align with those objectives, as well as those of the organization. As a result, the goals of a human resource department reflect and support the goals of the rest of the organization. Strategic HRM is seen as a partner in organizational success, as opposed to a necessity for legal compliance or compensation. Strategic HRM utilizes the talent and opportunity within the human resources department to make other departments stronger and more effective.

### **Objectives of the Study**

1. To understand HR strategy concept.
2. What are the main HR strategy being applied in organization.
3. How to manage workers in uncertain times.



### Methodology

The data and material has been collected from various books and journals of HRM. Although the secondary data has been used for the study, the researchers have also used their experiences in few companies and personal interaction with the official of these companies.

### Importance of the Study

The study is of great important to the academicians and researchers as it not only strengthens the theoretical base of HR but also tries to analyze the relationship among the various HR mechanisms.

### Limitations

As the study is based on secondary data taken from books/journals, it has limited impact in view of the present environment.

### HR Professionals will Face the Following Challenging Tasks

**1. Managing Workforce Diversity:** An important challenge that human resource managers face involves workforce diversity, i.e., the increasing heterogeneity of organizations with the inclusion of employees from different groups such as women, physically disabled persons, retired defense personnel, backward classes, ethnic groups, etc. Whereas globalization focuses on differences between personnel from different countries, workforce diversity addresses differences among people within the same country. For instance, more and more women have been joining the organizations in India and women executives have also been occupying important positions at the middle and top levels in the organizations. This in itself is a challenge for organizations as, traditionally, the Indian society has been male dominated. Workforce diversity has significant implications for the management. The managers will be required to shift their approach from treating each group of workers alike to recognizing differences among them and following such policies so as to encourage creativity, improve productivity, reduce labour turnover and avoid any sort of discrimination. When workforce diversity is managed properly, there would be better communication, better human relations and congenial work culture in the organization.

**2. Meeting Aspirations of Employees:** There has been a rise in the proportion of employees in today's industries who belong to the younger generations whose aspirations are different from those of the earlier generations. Today's workers are more careers oriented and are clear about the lifestyle they want to lead. Considerable changes have been noted in the career orientation of the employees. They are becoming more aware of their higher level needs and this awareness would intensify further among the future employees. The managers would be required to evolve appropriate techniques to satisfy the higher level needs of the employees and develop suitable plans for their career advancement.

**3. Empowerment of Employees:** There has been a general change in the profile of workforce in industrial and other organizations. The organizations in future will get better qualified and career oriented young employees. The proportion of professional and technical employees will also increase as compared to the blue collared employees. They will seek greater degree of participation in goal setting and decision-making and also demands greater avenues of self-fulfillment. To respond to these demands, organizations will have to be redesigned or restructured to empower the employees so that they have sufficient autonomy or freedom to take decisions while performing their jobs. Empowerment involves giving the employees more information and control over how they perform their jobs. Various techniques of empowerment range from participation in decision-making to the use of self-managed teams. In future, organizations will follow team structures which will pave the way for empowerment of lower levels. Empowerment would be all the more necessary to speed up the process of decision-making, make use of environmental opportunities and to serve the customers and society better.

**4. Management of Human Relations:** Management of human relations in the future will be more complicated than it is today. "Many of the new generation of employees will be more difficult to motivate than their predecessors. This will in part be the result of a change in value system coupled with rising educational levels. Greater skepticism concerning large organizations and less reverence for authority figures will be more common.

Unquestioning acceptance of rules and regulations will be less likely.”Since workforce in future will comprise better educated and self-conscious workers, they will ask for the higher degree of participation and avenues for self- fulfillment. Moreover, the proportion of professional and technical employees will increase in relation to blue-collar workers. The ratios of female employees in the total workforce will also rise. Integration of women within managerial ranks might itself be a problem. Money will no longer be the sole motivating force for majority of the workers. Non-financial incentives will also play an important role in motivating the workforce. In short, human resources will be treated as assets which will appear in the Balance Sheets of business organizations in future.

**5. Dynamic Personnel Policies and Programs:** The Human Resource Manager of tomorrow will not only look after personnel functions, but will also be involved in human resource policies and programs for the entire organization. Similarly, human resource management is not merely going to be an exclusive job of the HR Manager, but every executive in the organization would be made responsible for the effective management of people in his unit. Thus, management of human resource will receive greater attention of all managers from top to bottom. The human resource manager would play a key role in the formulation of personnel policies, programs, plans and strategies of the organization. Every HR program will have to be properly planned and directed by the human resource manager in consultation with the line and functional managers.

**6. Building Responsive Organization:** The Human Resource Manager will have to contribute tremendously to the building up of responsive organization. Creating adaptive customer-oriented organization would require soliciting employees’ commitment and self-control and encouraging empowerment of employees. Instead of imposing himself as the traditional boss, the future manager will have to think of himself as a ‘team-leader’, ‘internal consultant’ and ‘change facilitator’.

**7. Creating Dynamic Work-Culture:** The human resource manager will have to mobilize a new work ethic so as to assist the top management in setting up and enforcing quality standards. Greater efforts will be needed to achieve group cohesiveness because workers will have transient commitment to groups. As changing work ethic requires increasing emphasis on individuals, jobs will have to be redesigned to provide challenge to the employees. Flexible starting and quitting times for employees [flexitime] may become necessary. Further, focus will shift from extrinsic to intrinsic motivation of employees. In future, changes will have to be initiated and managed to improve organizational effectiveness. A work culture conducive to absorption of changes in the technological, economic, political, socio-cultural and international environment will have to be nourished by the HR/Personnel executives if they want to acquire higher status in industry and society. They will also have to make top management more actively involved in the development of human resources for meeting the challenges of environment and enhancing organizational effectiveness. Over the years, human resource management has emerged as a discipline in its own right and the HR manager as a professional. Professional dynamics will enhance its prestige and quality of service. However, its survival and success in future will depend upon the judicious application of knowledge and skills available. Human resource management will emerge as a well-established, well-respected and well-rewarded profession, comparable to other established professions provided the challenges and opportunities are successfully exploited for its advancement.

**8. Building Core Competence and Creating Competitive Advantage:** The human resource manager has a great role to play in developing core competence by the firms. A core competence is a unique and inimitable strength of an organization which may be in the form of human resources, marketing capability, or technological capability. If the business is organized on the basis of core competence, it is likely to generate competitive advantage. Because of this reason, many organizations have restructured their business by divesting those business activities which do not match core competence or acquiring those business activities which fit their core competence such as Gujarat Ambuja acquiring cement companies and Reliance Industries acquiring yam companies. In fact, organization of business around core competence implies leveraging the limited resources of the firm. It needs creative, courageous and dynamic leadership having faith in the organization’s human resources.

In today's globalized market piece, maintaining a competitive advantage is the foremost goal of any business organization. There are two important ways a business can achieve a competitive advantage. The first is cost leadership which means the firm aims to become the low-cost leader in the industry. The second competitive strategy is differentiation under which the firm seeks to be unique in the industry in terms of dimensions that are widely valued by the customers. Putting these strategies into effect carries a heavy premium on having a highly committed and competent workforce. Such a workforce would enable the organization to compete on the basis of market responsiveness, product and service quality, differentiated products and technological innovation. Creation of competent and committed workforce is a great challenge for the human resource manager.

**9. Outsourcing HRM Functions:** These days, many organizations are outsourcing routine HRM functions so as to focus on strategic HR issues that affect corporate performance and shareholder value. The HRM functions which are of routine type and can be safely outsourced include recruitment, selection, compensation, job evaluation, training, etc. Outsourcing of such functions would enable the management pay greater attention to core business activities. The term 'outsourcing' means getting some service from external service providers or agencies rather than performing it within the organization. This practice is called Business Process Outsourcing (BPO). The basic feature of BPO is that companies hire out on contract those services or tasks which fall outside the area of their 'core competence'.

### **HR Strategies during Uncertain Times**

Successful leadership during an economic downturn involves finding creative ways to retain programmes that are fundamental to the organization. Businesses need a performance management strategy that fosters alignment and responsiveness, as well as a means to ensure that individuals are cast in the right roles. Fifty-six percent of survey respondents say their firms have implemented or are recurrently implementing a quantitative, metrics-based performance management programme. Employees who are properly trained are likely to be more productive, thereby increasing their job satisfaction and improving their loyalty. And by measuring the outcomes of corporate training programmes, HR directors can more effectively justify ongoing investments in programmes that work while eliminating those that underperform. In addition, HR organizations that are frank in their internal communications about the difficult economic climate and resulting cost-cutting measures will foster credibility with the workforce. They'll gain even more respect if they communicate through channels that employees prefer and show a legitimate interest in (and a willingness to act on) staff feedback.

**1. Making a Mindset Shift:** Complex problems, the kinds of problems that Human Resources and Business leaders currently find themselves tackling, requires a different kind of thinking to that which more complicated problems can present.

**2. Collaboration is Key at Every Level in Uncertain Times:** Human Resources and Business leaders must now ensure they're collaborating with employees at every level of the organization. In fact by focusing on collaboration rather than command and control, the shift in dynamic allows for stronger interpersonal relationships, which in turn helps to embrace a complexity mindset.

**3. Ensure your Organization has a Strong Value Foundation:** In uncertain times, it's essential that HR and business leaders adapt to the challenges being presented by ensuring their organization has a strong value foundation. In organizations where the company values have been defined and built upon at every step, in addition to their being brought into by the employee base.

**4. Bringing it all Together:** There is no denying how important the role that Human Resources and business leaders are playing at this crucial time of uncertainty and change. The takeaways here are that a combined series of approaches in HR and business strategy are necessary if your organization and crucially the people within it are set to thrive post this period of deep disruption.



**5. Guiding Employees through Change:** HR organizations play a key role in leading people through change. Keeping people engaged and informed is always important, but now it is critical to ensure employees feel like they are part of something bigger. Adopting regular checking, providing resources to get help, offering mindfulness activities and keeping some fun in the mix are ways that HR teams show up during these uncertain times

**6. Leading with Empathy:** Employees are dealing with a list of emotions and stressors, many of which they have not experienced before. HR leaders should exhibit empathy in their communications, response plan and decision-making. This will not only help employees feel supported but will strength teams bonds across the organization .A stronger, more connected team will drive business success long after this pandemic is over.

**7. Providing Data-Driven Views:** An HR tool is an operational construct and most companies are incredibly bad at it. But if scale downs or ramp-ups are in order, its critical. The way most do it(everyone with a cost centre gives me 10% savings, as an example) does not account for essential roles or variations in the business.HR can and should be providing a data view to any actions.

**8. Employee Engagement and Training:** During these times HR can play a very large role that most are not thinking about, which is ensuring that employee emergency contacts are up to date. Human Resources should also play the role of ensuring that all employees have an outlet should they need support, financial or emotional. Human Resources can help set up extra training for employees to help with their career path.

**9. Skill Assessment and Deployment:** Transformative events create new opportunities HR leaders will soon face the next challenge- skill assessment and deployment. Work and education will look different post-crisis. The service and education industries are shifting their delivery models. Identify future state skills conduct gap assessments, and plan for re-skilling and redeploying employee's post-economic transformation.

**10. Communicating to Employees:** It is vitally important to communicate often to our employees so they understand what precautions we have taken to keep them safe.

**11. Utilizing Actionable Data:** Uncertainty demonstrates the importance of HR using technology to have accurate data on the safety and location their team. In doing so, leaders are able to make informed decisions, track and report on evolving threats and respond quickly to each situation. Teams that use actionable data are best positioned to support employees and the broader business both now and as life returns to normal.

**12. Fostering Resilience in Leadership:** HR'S ability to foster resilience in leadership when times are uncertain, unpredictable and complex and to encourage an environment where leaders bring empathy and compassion to their day to day decision making will be a distinguishing factor in enabling businesses to navigate the complexities of uncertain times and emerge a stronger unit.

**13. Leading with Honesty:** When stakes are high, its easy to get swept up by misinformation and heightened emotional responsiveness.HR is critical to providing calm, accurate and clear direction to communicate information and reassurance.

**14. Providing Clarity of Purpose:** In times of change or crisis, our employees are making more decisions of greater importance and often outside of standard operating models. As leaders, we must set a clear direction people want to be part of the solution, but need to know what the solution is. Give them the mission, purpose and direction they need to let them lead.

**15. Making it Easy for Employees to get Answers:** During times of uncertainty, the last thing you want to do is confuse an employee asking a question. HR leaders need to ensure appropriate team members are available to respond to questions as quickly as possible.

**16. Committing to Employees Health and Safety:** Human resources show empathy and reassure employees of company's commitment to their health and safety. HR should ensure that measures like cleaning, hand washing, testing and maintaining social distance to prevent the spread of COVID-19 are taken and clearly communicated to employees. Appropriate policies such as working from home, hazard pay and paid sick leave should be implemented.

**17. Boosting Employee Productivity:** When organization face unforeseen changes in business, it is important to recognize that employee morale, health and stability are often equally impacted. As a result, the HR department is now presented with an opportunity to help strength organizational agility by partnering with both leadership and employee to bridge the newly- presented skill and process gaps and boost employee productivity

**18. Building your Internal Community:** HR can encourage employees to over-communicate with their teams , managers and one another- now more than ever is the time to build your internal community. HR should also create and outline any new changes the company may be making to their remote work policies.

**19. Accelerating the Future of Work:** During the last year of lockdown, where in most of the world's workforce has been working from home, has exposed many gaps and opportunities in the current workforce policies. It may be a good time to rethink the processes and accelerate the future of work- flexible workspace, broader talent pool, training for remote work, focusing on employee well-being and redefining events for social connection.

## Conclusion

Even while HR is playing a prominent role in the reorganizing and restructuring of businesses worldwide, the survey found that it has yet to be recognized for its numerous contributions and accomplishments owing to an enduring gap in the way it is perceived by those elsewhere in the organization. Whether this assessment is real or imagined, HR must find ways to close this distance by becoming an acknowledged strategic partner with the business. Reversing business's perception of HR will be an ongoing and demanding activity at some firms, but it is clear that HR must do so if it hopes to fulfill its potential and be viewed as a strategic partner. And while the current downturn has taken an exacting toll on businesses all over the globe, the environment also provides an unexpected opportunity for HR to show its value by making bold and influential contributions to the entire organization.

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# **“VENDOR RATING A TOOL TO MINIMIZE INVENTORY COST AND ENHANCE PROFIT OF FIRM DURING COVID -19” -A CASE STUDY WITH REFERENCE TO CYIENT DLM PVT LTD, MYSURU.**

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## **Abstract**

**Purpose-**the purpose of this paper is to examine the relationship between Vendor rating a tool to diminish inventory cost and firms profit in pandemic with reference to Cyient DLM Ltd.

**Design/methodology/approach-**the generalized method of moment is employed to examine this relationship taking 10 years of data from annual report and interaction with CEO.

**Statistical Tool:** SPSS- Descriptive statistics, Correlation and Regression

**Findings:** The results show that the presence of Vendor rating positively curtailed inventory cost of Cyient DLM Pvt, Ltd, Mysuru. However, the result shows supplier performance has significant impact on the inventory management and effective inventory management positively associated with financial performance. This paper first investigates the strategies for a high-demand and essential item during a pandemic situation and proposes strategies to deal with this unique and extraordinary disruption.

**Practical Implication:** The results of this study have several practical implications. First This study considers the increased demand of the customers for some essential product such as X-ray generators from GE Healthcare and units from Molbio Diagnostics to enable rapid disease testing in India during a pandemic is beyond the traditional economic objective. i.e., increase profit, of the manufacturers. Second, Covid-19 pandemic did not affect the sales of medical essential products, In fact it increased.

**Originality/value:** to the best of the author's knowledge, this is the first study that investigates the relationship between vendor rating and inventory management and firm financial performance.

**Key Words:** Vendor Rating; Inventory Management; Firm Performance.

## **Introduction**

The epidemic disease (COVID-19) outbreak, which was first reported in Wuhan, China, in December 2019, has affected 215 countries and territories with more than 9.5million cases and more than 485 thousand deaths as of 25 June 2020. These outbreaks has already affected almost all sectors and most of the countries across the globe; in this pandemic most of the manufacturing companies suffer from loss due to less production, less demand for the products, inconvenience transportation facility etc. But we observe that some manufacturing sector maintain their stability in their growth, even Cyient DLM Pvt Ltd gets nod for production of critical medical equipment.

Cyient DLM Private Limited (formally known as Rangsons electronics Pvt Ltd) is an unlisted private company. It was incorporated on 30 June, 1993 and is located in Mysore, Karnataka. The company is principally engaged in providing total electronic manufacturing solution in the fields of medical, industrial, automotive, telecommunication, and defense industries.

Cyient manufactures critical medical equipment, but the challenging stage is how Cyient could able to maintain their production with scarcity of raw materials. But due to its strong relationship with vendors, it could able to manage during crisis. So supplier performance has significant impact on the inventory management and effective

inventory management positively associated with financial performance. The purpose of this paper is to add to our understanding of inventory management by exploring the relationship of vendor performances and its impact on financial performance.

. Inventory control is the organized operation of a company concerned with providing goods and related operations to achieve optimal coordination and maximum spending on goods. Every organization needs to find out how much inventory they need to handle as an unnecessary or lack of inventory that productivity internally. Vendor Evaluation and Selection is one of the most critical activities of purchasing management in supply chain. It can be used both for existing and potential suppliers. It is a complex problem involving qualitative and quantitative multi-criteria. Inventory management is a corporate process that is responsible for the development and control of inventory levels, whether the inventory is products goods, enough must be the organization must inventory costs limited.

### Literature Review and hypothesis development

**Laura A. Orobio<sup>3</sup> (2020)** established the relationship between inventory management, managerial competence and financial performance with the help of questionnaire survey of 304 small business and found that there is indirect effect of variables. **Xinyu Wang<sup>2</sup> (2019)**

studies linkage between industrial agglomeration and inventory performance & future demonstrates the moderating role of firm size and enterprise status in the supply chain on the linkage and confirm that these effects are contingent upon firm size by using SDM and spatial econometric analysis. **Norazira Abd Karim<sup>3</sup>(2018)** investigated the impact of inventory management on company performance. They found that financial ratio analysis shows that the company has a modest performance and is not heavily influenced by poor stock management. **Nazar Sohail<sup>1</sup>(2018)** studied the relationship between the inventory management and company performance. The study also proved that there was a significant relationship between return on asset (ROA) and inventory days. **Abdikani Shire Anshur<sup>1</sup> (2018):** investigated the relationship between inventory management and financial performance in manufacturing firms. The study shows that there is a relationship between the inventory management and financial performance. The result was  $r=0.683$  that provides a strong positive relationship between the variables and proved that, the two variables move in the same direction. **Vani Haridasan<sup>1</sup>(2018)** study helps to develop a Vendor Rating System using AHP methodology to choose the best suppliers in such a way to reduce the time taken for the selection process. The proposed Vendor Rating System has reduced some amount of subjectivity in evaluating the performance of vendors, but it is not completely free of subjectivity. **Onikoyi<sup>3</sup> (2017)** study focused on adequate stocks and thus minimize the risk of shortage which could disrupt production or cause customer dissatisfaction. To relieve management of taking frequent procurement decision for each item maintained in the store. By employing regression techniques, the relationship between inventory management and financial performance of the firm was found to be significantly positive. **Dr. J.S.V.Gopala Sarma (2017)** mentioned that the most important objective of inventory control is to determine and maintain an optimum level of investment in the inventory. It is found that the inventory turnover ratio has been increased during the year which shows a good inventory. **Otuya Sunday<sup>1</sup> (2017)** study examines the relationship between inventory turnover and profitability of SMEs. Determine to what extent inventory conversion period affects profitability of SMEs. Ascertain the influence of inventory leanness on profitability of SMEs. The finding infers that the ICP has no relation or inverse relation with the profitability. **Dr.N Babitha Thimmaiah. (2016)** studies the effectiveness of inventory management system at DLF Ltd and found that the ICP has no relation or inverse relation with the profitability. **Syed Jamal Abdul Nasir<sup>4</sup> (2016):** examined the relationship between inventory days and return on asset (ROA) of company X. They believe that if the recommendations are applied by the company X it should be able to improve the inventory management practice and lead to better performance in terms of profits, reducing inventory cost and maximize utilization of resources. **Akshay A. Patil<sup>1</sup> (2016)** focused on actual study of supplier evaluation, evaluation criteria and selection methods. Experts agree that no best way exists to evaluate and select suppliers, and thus organizations use a variety of approaches. **Prempeh<sup>1</sup> (2015):** evaluated the impact of efficient inventory management on the profitability of manufacturing firms in Ghana. From the results of the study, it is decided that, raw materials inventory management is a major variable that has significant positive relationship on

the profitability of the manufacturing firms in Ghana. **Kamau lucy wangari<sup>1</sup> (2015)** explored the effect of inventory turnover on competitiveness of Safaricom Ltd. The study concludes that inventory management practices affect profit maximization, customer satisfaction, market share growth and product quality targeting return on investment. The study deduces that inventory turnover affects the competitiveness of Safaricom Limited. **Dr. Srinivasa Rao<sup>1</sup> (2014)**: studied on the "Inventory Management in Commercial Vehicle Industry in India". The study concluded that all the units in the commercial vehicle industry have significant relationship between Inventory and Sales. **Sanjiv Mittal R.K<sup>3</sup> (2014)**: The study assess the relationship between inventory turnover and profitability. To investigate the impact of gross margin, capital intensity, firm size and growth on inventory turnover. The results throw light on the negative relationship between AICP and profitability and positive relationship between inventory turnover and profitability. **Dr. Ashok kumar panigrahi. (2013)**: has analysed inventory management practices used by Indian cement firms and their effects must be on working fund efficiency. The study also investigated the relationship between profitability and inventory conversion days. The study, using a sample of the top five cement companies of India over a period of 10 years from 2001 to 2010, concluded, there exist inverse relationship among conversion period of inventory and profit margin. **Lawrence Imeokparia. (2013)**: described the relationship between inventory control system and how it affects the success of the company. The results also show the relative importance of the inventory management decisions made by the organisation, and the implications these decisions have on the consumer. **Kurian John<sup>3</sup> (2013)** developed a vendor evaluation and rating system that incorporates the company's evaluation and rating criteria. The ranking of suppliers based on the various criteria and sub-criteria was formed. An idealized score which shows how all the vendors perform with respect to the best vendor is also formulated. **Eneje, Nweze, Udeh.. (2012)** study analysed the local variable raw stock inventory managing system design such a way to capturing changes of efficient management of raw stock inventory on behalf of company in terms of their margin is significantly strong and positive and influences the profitability of the brewery firms in Nigeria. **Salawati Sahari<sup>3</sup> (2012)**: attempted to investigate the relationship between inventory management, firm performance and capital intensity. By employing regression techniques, the impact of relationship between inventory management and financial performance of the firm was found to be significantly positive. **Gaur and Bhattacharya (2011)** Attempted to study the linkage between the performance of the company of inventory such as raw material, work in progress and finished goods and financial performance of Indian manufacturing firms. The study revealed that finished goods inventory as inversely associated.

The previous researcher have concluded their research based on study of inventory management and majority of the study concentrate more on inventories but we found that effective inventory management also depends on best supplier performance. So the study focuses on filling the gap by doing vendor rating system using analytical hierarchical process.

### Statement of the problem

CYIENT DLM Pvt Ltd., produces electronic, mechanical and integrated manufacturing service; Software, hardware, and mechanical design and development services and test engineering verification and validation certification and quick-turn prototyping services. In order to better control of inventory in this pandemic Covid19 situation the study was conducted at Cyient DLM Pvt LTD, Mysore.

CYIENT DLM is facing some issues including Covid19 that affect the company's performance. In order to identify the reasons behind the changes in the business level and propose corresponding solutions to solve this problem, we have to begin the study of impact of procurement practices and inventory management on organizational performance.

### Objectives

- To analysis vendor rating system using Analytical hierarchical process.
- Empirical investigate the relationship among inventory management and financial performance
- To give suggestion for reducing inventory cost and increase profit.

## Research Hypothesis

Based on this literature review and conceptual framework, the following Hypotheses are established:

- H1:** Inventory turnover have a significant impact on the performance of CYIENT DLM PVT LTD, Mysore.
- H2:** There is a significant relationship between inventory conversion period and profitability..
- H3 :** There is a significant relationship between inventory leanness and profitability of CyientDLM Pvt Ltd, Mysore.

## Methodology:

The study adopted descriptive research design. Descriptive research is a scientific method which involves observing and describing the behaviour of a subject without influencing it in any way. The study used non probability sampling techniques and the sample size is one company for the period between (2010-2020). Regression analysis was conducted to examine the form of relationship between dependent variable and the independent variables. To test the hypotheses developed, a liner regression model which expresses the Cyient Dlm Pvt Ltd, profitability as a function of inventory management.

**Data analysis:** Sk6xsupplier evaluation is assessment of new or existing supplier on basis of their delivery, price, production capabilities, and qualities of management, technical capabilities and services. Cyient DLM also maintains the supplier rating based on their supplier performance. CDLMPL doing supplier rating for individual supplier by assigning grade. Based on the observation its understood that cyient used Categorical method of vendorrating because the supplier Quality and Delivery measurement criteria are fixed based on the category of the parts supplied.

The proposed system for Vendor Rating is based on using Analytical Hierarchical Process (AHP) for evaluating and ranking vendors. This system is proposed to minimize subjectivity in assigning weights for the criteria and also improve the efficiency of the decision-making approach.

### To initiate the AHP process, we identify the following three step procedure:

- The decision-making problem is decomposed into a hierarchy structure.
- Pair wise comparisons are made and establish priorities among the elements in the hierarchy.
- Synthesise judgments (to obtain the set of overall or weights for achieving your goal).
- Evaluate and check the consistency of judgments.

### Step 1 – Hierarchy Structure

The hierarchy structure starts with the ultimate goal. To achieve this goal, various criteria are developed. They are linked to the alternatives. In the proposed system, the main goal is to develop a system to rate the vendors. The multiple criteria used for decision-making are quality, on-time delivery, price, responsiveness and credit period. The vendors are used for the decision alternatives.

**Step 2 – Pair-wise Comparisons:** Pair-wise comparisons are made to establish priorities among the elements in the hierarchy. For pair-wise comparisons, each alternative (or Vendor) is matched head-to-head (one-on-one) with each of the other alternatives (Vendors) on the basis of selection criteria. A pair-wise comparison among selection criteria is done to determine the relative importance (weights) among them. Then vendors are compared on each selection criteria separately to obtain the scores.

There are six vendors, V1 (Amar radio corporation), V2 (Multipack industries), V3 (Parvathi labels), V4 (Pikatron gmbh), V5 (Shennan circuits co ltd), & V6 (Standex electronics inc) under consideration for CDLM.

### Pair-Wise Comparison Of Selection Criteria:

The pair-wise comparison of all the selection criteria, the normalized matrix, scores and the Consistency index are given in the table below

**Table 1 Pair wise comparison of CDLM Vendors based on Selection Criteria**

	Quality	Delivery	Cost or PaymentTerms	Response
Quality	1	0.93	0.50	0.80
Delivery	1/0.93	1	0.35	0.65
Cost or payment terms	1/0.50	1/0.35	1	0.45
Response	1/0.80	1/0.65	1/0.45	1

The normalized matrix is obtained by dividing the cell value with the column total. The table below gives the normalized matrix for CDLM with respect to Selection Criteria.

**Table 2 Normalized matrix**

	Quality	Delivery	Cost or payment terms	Response
Quality	0.188	0.146	0.123	0.276
Delivery	0.203	0.158	0.086	0.224
Cost or payment terms	0.375	0.452	0.246	0.155
Response	0.234	0.243	0.546	0.345

From the normalized table, calculate row total and row average which is shown in the table below:

Row Total	0.733	0.671	1.228	1.368
Scores	0.183	0.168	0.307	0.342

**Step 3- Consistency Check:** Having made a pair wise comparison the consistency is determined by using the eigen value (Scores),  $\lambda$  (lamda) max, to calculate the consistency index CI as follows:  $CI = (\lambda_{max} - n) / (n - 1)$ . Where,  $\lambda_{max}$  = average of Consistency Measure,  $n$  = number of vendors (Size of matrix), CI = Consistency Index (shows degree of consistency of our judgments),  $CR = (CI / RI)$ , CR = Consistency Ratio, RI = Random Consistency Index

**Table 3: Random Consistency index**

N	1	2	3	4	5	6	7	8	9	10
RI	0	0	0.58	0.9	1.12	1.24	1.32	1.41	1.45	1.49

**Table 4: Consistency Index of CDLM Vendors based on Selection Criteria.**

Sum of pair wise matrix	5	6	4	3
Score (Eigen value)	0.181	0.168	0.307	0.342
Eigen value calculated	0.96	1.01	1.32	0.96

Table 5: Sum of Eigen value calculated= 4.25

$CI=(\lambda_{max}-n)/(n-1)$	$CI=(4.25-4)/(4-1)$	0.083
RI	As per table	0.90
$CR= CI/RI$	0.083/0.90	0.092

Since 0.092 is less than 0.10, the judgement is consistent and hence accepted.

Likewise AHP process can be calculated based on this selection criteria for all the parameters and the final score showing below.

**Table 6: Final scores matrix**

	Quality	Delivery	Cost or payment terms	Response
V1	0.15	0.14	0.45	0.15
V2	0.13	0.12	0.22	0.13
V3	0.13	0.12	0.08	0.13
V4	0.14	0.13	0.11	0.14
V5	0.17	0.21	0.08	0.22
V6	0.28	0.25	0.08	0.22

Final Scores of each vendor is obtained by matrix multiplying the weights of criteria and scores of vendors rated based on each criterion.

**Table 7:Weights of selection criteria**

Weights	0.183	0.168	0.307	0.342
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**Table 8:Ranking of Vendors**

Final Vendors Rate	Vendors	Rating
0.240	V1	1
0.156	V2	4
0.110	V3	6
0.129	V4	5
0.167	V5	3
0.192	V6	2

Thus, it is possible to rate the vendors using multi-criteria using Analytical Hierarchical Processing. The Vendor V1 (Amar radio corporation) is top in the rating followed by V2 (Multipack industries), V3 (Parvathi labels), V4 (Pikatron gmbh), V5 (Shennan circuits co ltd), & V6 (Standex electronics inc). This process helps the company to

control the cost, time involved in selection process and also improve the efficiency of the decision-making approach. This shows that proper vendor rating positively associated with Inventory management as well as financial performance.

### Empirical results and Discussions:

The structural model is used to test hypothesis. The study used secondary data that were extracted from the statement of accounts at CDLMPL. The data for the study are- dependent variables: Net

operating profit; independent variables: Inventory turnover, Inventory conversion period, Inventory leanness.

Structural model for hypothesis testing:

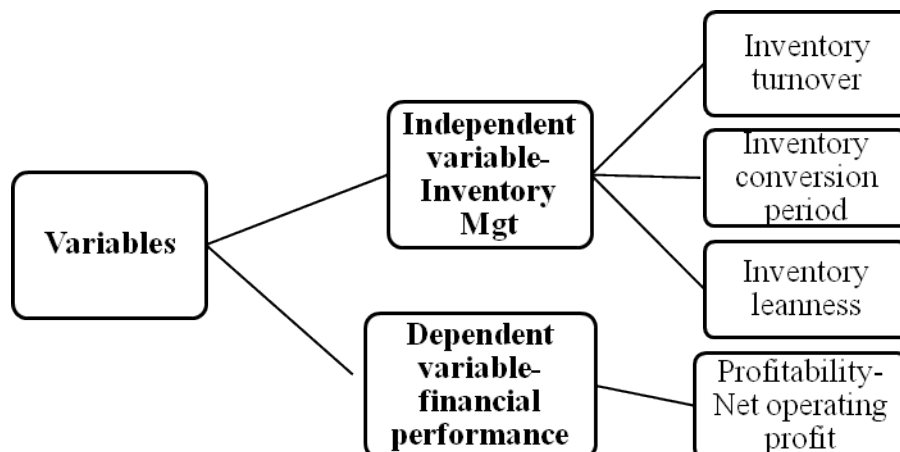


Chart: 1

### Regression Equation:

$$Y_{it} = \beta_0 + \beta_1 X_{1it} + \beta_2 X_{2it} + \beta_3 X_{3it} + \varepsilon$$

Where,  $Y_{it}$  includes Net operating profit of the company  $i$  at time  $t$ ;  $X_1$  it indicates Inventory turnover of company  $i$  at time  $t$ ;  $X_2$  it indicates Inventory conversion period of the company  $i$  at time  $t$ ;  $X_3$  it indicates Inventory leanness of the company  $i$  at time  $t$ ;  $i$  = Cyient DLM Pvt Ltd, Mysore;  $t$  = 2011 to 2020;  $\varepsilon$  = error term;  $\beta$  = Change in estimated value of  $Y$ ;  $\beta_0$  = Constant or Intercept;  $\beta_{1-3}$  = Coefficients to be estimated or the Coefficients of slope parameters.

### Operationalization of Variables: Table 9: measurement of the variables

Variables	Measurement	A priori Sign	Notation
Profitability	Profitability is taken as net operating profit (NOP). To be measured as the net profit scaled by turnover.	+	PFT
Inventory Turnover	Measured as Cost of Sales scaled by Inventory	+	IT
Inventory Conversion Period	This is measured as 365 days divided by inventory turnover ratio.	-	ICP
Inventory Leanness	Measured as a percentage of closing inventory on total asset	+	ILN

**Table 10. Descriptive Statistics**

	Net operatingprofit	Inventory turnover	Inventory conversion period	Inventory leanness
Mean	2.25	2.46	172.89	36.44
Median	0.44	2.61	139.55	37.18
Std. Deviation	3.97	0.85	87.85	2.93
Skewness	1.34	-.034	2.25	-1.01
Kurtosis	1.73	0.81	5.82	0.932
Minimum	-1.74	0.91	90.82	30.24
Maximum	11.16	4.02	400.98	40.13

The min and max values are -1. 74 and 11.6 respectively with a standard deviation of 3.97 which indicates wide variation in profit. The Kurtosis of NOP is 1.73 so it is considered as leptokurtic and Skewness is 1.34 it is considered as moderately positively skewed for the year 2011 to 2020. The statistics also shows that the IT and ICP have minimum values of 0.91 and 90.82 respectively. The maximum values for the variables also recorded 4.02 and 400.98. The standard deviation also stood at 0.85 and 87.85. The standard deviation for IT is small indicating that there is much deviation among the CDLMPL sampled in terms of number of days stock is turned over. However, the standard deviation for ICP is low compared to the mean value which means that there is significant variations in the number of days CDLMPL in the study hold stock. The Kurtosis of IT and ICP is 0.81 and 5.82 respectively and Skewness is -.034 and 5.82 respectively for the year 2011 to 2020.

**Table11, Correlation analysis**

		Net operatingprofit	Inventory turnover	Inventory conversion period	Inventory leanness
Net operating profit	Pearson Correlation	1	.728*	.261	.261
Inventory turnover	Pearson Correlation	.728*	1	.286	.286
Inventory conversionperiod	Pearson Correlation	-.461	-.886**	1	-.573
Inventory leanness	Pearson Correlation	.261	.286	-.573	1

\*. Correlation is significant at the 0.05 level (2-tailed).

\*\*. Correlation is significant at the 0.01 level (2-tailed).

The table shows the relationship among the variables. Net operating profit is observed to correlate positively with ILN ( $r=0.261$ ). This implies that increase in inventory by 26.10%, will bring about a unit growth Net operating profit of CDLMPL. The correlation also shows that NOP has a Positive relationship with IT ( $r=0.728$ ) and negative relationship with ICP ( $r=-0.461$ ). Further, the table also indicates that IT is positively correlated with

ILN ( $r=0.286$ ) but negatively correlated with ICP ( $r=-0.886$ ). It implies that increase in inventory turnover increases leanness by about 29% whereas higher inventory turnover reduces inventory conversion period by 88.6%. ICP is also observed to have a negative relationship with ILN ( $r=-0.573$ ).

**Table 12, Regression analysis**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.961 <sup>a</sup>	.923	.885	1.34519

a. Predictors: (Constant), Inventory leanness, Inventory turnover, Inventory conversion period.

The summarized regression results in the table show that the multiple regression models is highly significant with R<sup>2</sup> value of 0.923 meaning that 92.3% of the variation in the dependent variable (Net operating profit) is explained by the independent variables while 7.7% is explained by other variables outside the model.

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-74.781	13.184		-5.672	.001
	Inventory turn over	10.447	1.400	2.236	7.460	.000
	Inventory conversion period	.088	.016	1.940	5.533	.001
	Inventory leanness	.994	.230	.734	4.320	.005

a. Dependent Variable: net operating profit

regression equation after estimations was as shown below:

$$Y_{it} = \beta_0 + \beta_1 X_{1it} + \beta_2 X_{2it} + \beta_3 X_{3it} + \varepsilon = Y_{it} = -74.781 + 10.447 + 0.088 + 0.994 + \varepsilon$$

**Discussion of Findings** The aim of this study is to examine the impact of inventory management on financial performance at CYIENT DLM Pvt Ltd. In discussing the results, the ordinary least squares regression estimates are utilized to examine the relationship between inventory management and financial performance of CYIENT DLM Pvt Ltd. This study utilizes several measures as proxies for inventory management. Findings of the study are discussed below:

**Inventory Turnover and Profitability:** The regression estimation reveals that a significant positive relationship exists between IT and NOP ( $t=7.460$ ,  $p=0.000<0.05$ ). We therefore use this as some evidence to empirically state that inventory turnover has an effect on companies' financial performance, and hence we reject the null hypothesis and accept the alternative hypothesis. The implication is that businesses that have higher inventory turnover tend to have better performance than those with lower inventory turnover.

**Inventory Conversion Period and Profitability:** Findings from this study reveal an there is a relationship between inventory conversion period and financial performance of CYIENT DLM Pvt Ltd ( $t=5.533$ ,  $p=0.001<0.05$ ). This implies that the longer days it takes CDLM to turn raw materials purchased into finished goods and sold to customers the lesser profits the firm will make.

**Inventory Leanness and Profitability:** The regression estimation reveals a significant positive relationship

between ILN and NOP ( $t=4.314$ ,  $p=0.005>0.05$ ). This implies that level of closing stock in the warehouse as at the end of a company's financial year affect the financial performance of the firm. This did not meet our a priori expectation. This result does not conform to previous studies such as Eaginiwin E. Joseph.

### Conclusion

The aim of this paper was to report the results of a study carried out to understand vendor rating and its importance in reducing inventory cost and inventory management and ascertain whether inventory management mediates the relationship between firms performance. These objectives were achieved through a case study of DLM Pvt., Ltd. Results suggest that both vendor rating and inventory management are significantly associated with firm performance. Further inventory management mediates the relationship between vendor rating and firm performance. We find that it is possible to rate the vendors using multi-criteria using Analytical Hierarchical Processing. This process helps the company to control the cost, time involved in selection process and also improve the efficiency of the decision-making approach. This shows that proper vendor rating positively associated with Inventory management as well as financial performance. These results imply that managers need to be innovative and acquire more skills that are relevant for coping up with the turbulent environment like pandemics and unpredictable market condition.

### Limitations and future research

This study hereby proposes certain limitations that future research could address. Firstly, the vendor rating is applied to medical manufacturing industry to reduce the search of vendors during pandemics or high sales turnovers. Future research should consider the application of vendor rating to different sectors. Secondly, this research only examines the mediating role of financial performance on the relationship between inventory management and financial performance. While additional research should consider other mediators, such as inventory turnover ratios to provide a broader view.

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## THE SENSORY MARKETING TECHNIQUES DURING UNCERTAIN TIMES

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### **Abstract**

*This particular paper comprises of interest in marketing as well as psychology pertaining to the role of sensory experiences in judgment and decision making. Within marketing, the field of sensory marketing has developed which explores the role of the senses in consumer behavior, Techniques of marketing in uncertain conditions (COVID). This is sensory marketing. Instead of relying on print or digital marketing techniques, like the written word and visual imagery, they are relying on your experience of the product to engage you as a customer. Companies have been using sensory marketing for years, finding new and creative ways to incorporate this directly into their products or marketing campaigns. While there are senses that are easy to utilize in digital marketing, such as hearing and sight, the others are not. That does not mean that sensory marketing is not being used digitally, it just means it's in different ways than you'd expect. Looking behind sensory marketing tactics to what's at its core, we see two things: emotions and experience. With a little creativity, these can both be replicated using digital formats. In these uncertain times sensory marketing now days relying on only two senses vision, sound and good advertisement techniques.*

**Keywords:** *Sensory Marketing, Online Marketing, COVID Periods.*

### **Introduction**

According to research, if a brand is able to trigger more than three senses, the brand engagement may soar beyond 70 percent. This is the power of sensory marketing. It is a fact that sensations and emotions, rather than rationality, have a greater influence on buyer's decisions. The term 'impulse buying' is the exact phenomenon we are talking about. People impulsively make purchases based on the sensory pleasure that they derive from the product, be in touch, sight, smell, taste or sound.

Using sensory marketing to jack up sales is not a new concept in the marketing world. Big brands such as Coca-cola have long since developed these strategies and taken them to a whole to another level. At this time, when marketing has become a majorly digital activity, it may be baffling to think of ways in which sensory marketing may be incorporated. In today's world of digital marketing, competition is endless. In order to compete, businesses need to use creative marketing strategies to convert buyer curiosity into sales. Good CRM software can assist you in understanding the buyer and his needs. This will be beneficial in launching effective marketing campaigns. Marketing strategies need to be designed in a way that gives the brand uniqueness, and also appeals to the senses of the customers. How to appeal to a customer's senses through a digital marketing campaign, however, is the big question.

### **Advantages of Using Sensory Marketing**

- It helps in creating brand loyalty. A buyer who feels satisfied with the purchase is likely to return and also helps in building a good brand image.
- Sensory marketing is an emotional experience and as the saying goes- 'people will forget what you said but they will never forget how you made them feel. By giving the buyer a good experience, a business becomes worth remembering.
- Sensory marketing helps the brand in building a relationship with the consumer.

### **Literature Review**

Digital interactive technologies (which enable the creation and/or manipulation of products in the screen), especially Sensory-Enabling Technologies (i.e., SETs, those that can deliver sensory inputs), can be helpful when, for instance, it comes to creating a webmosphere (i.e., the conscious designing of web environments to create

positive effects). These technologies can also help inform the consumer about those other sensory properties of a product (e.g., its texture, smell, and possibly even taste) that are simply not available currently in most (primarily visual) online environments (Childers *et. al.*, 2001; Eroglu, Machleit, and Davis 2001; Gallace *et. al.*, 2012; Hsieh *et. al.*, 2014; Kim and Forsythe 2008a; Rose *et. al.*, 2012; Song and Zinkhan 2008).

We try to bridge the gap between those researchers in sensory marketing and those working in the field of human – computer interaction (HCI). It is our belief that marketers need to better familiarize themselves with the full range of SETs that are available while those working in HCI may benefit from making themselves aware of some of the potentially profitable uses that their technologies might one day permit (Velasco *et. al.*, 2018)

A priori, the options for communicating sensory information in the online environment would appear to be rather limited. After all, it has traditionally not been possible to touch, smell, or taste objects over the Internet (Gallace and Spence, 2014), and the online environment might be considered as a context of offline embodiment, in which interactions with the world occur only through digital interfaces. However, this does not mean that the senses stop affecting cognition in the online environment. In this context, cognitive activity is still supported by modality-specific sensory systems (Niedenthal *et. al.*, 2005).

### Objectives of the study

1. To identify the impact of sensory marketing on Digital consumers
2. To generate impact of sensory marketing on Digital Brands
3. To assess the sensory marketing techniques through Online promotion

### A thing of Beauty- Appealing to the Sense of Sight

The very first thing that a prospective customer sees when they come into contact with a brand is the website. A website can be made appealing by using high-quality images, quality content, and appealing graphics. Some of the ways in which a brand can be made visually pleasing are:

- The use of bold colors and contrasts, especially highlighting the call-to-action buttons, can be a great way to make the website visually pleasing and conversion-oriented.
- Using high-quality images is essential for digital marketing. Since the customer does not have physical access to the product, using visual aids is a great way to captivate their attention. By looking at multiple images of the product, the customer is sub-consciously re-assured of the quality of the product.
- Video content is another great way to engage customers. People prefer a visual experience over reading a description of the product.
- The website must be designed in a way that is easy to access and navigate. A complicated navigation structure can be quite a turn-off for the customer.
- A unique yet meaningful domain name is something that people often remember and like to share in their social groups. A distinctive domain name is easy to recall and combined with a rich keyword usage, it helps in search engine ranking as well.

A Quality CRM software can help a business understand market trends and needs of the consumer, for example, analyzing marketing campaigns to determine the ones that are generating maximum leads. It is a great tool that helps strategize the digital marketing plan of a business.

### Taste of the Good Stuff- Appealing to the Sense of Taste

The concept of appealing to the sense of taste of customers through a digital marketing campaign can be a little difficult to fathom. The only way that this is possible through digital marketing channels is to be as descriptive as possible. It is important in such a case to help the customer associate the taste of the product to the taste that they may have experienced before. Human imagination is endless and by using this imagination, businesses may be able to appeal to their sense of taste. Some ways in which this can be done are:

- Using extremely descriptive content on the website



- Supplementing verbal descriptions with high-quality images
- Helping the customer associate the taste of the product to the taste inscribed in their memory

The customer support software can serve the purpose of in the citing taste buds of the customers. Using the software, you can initiate a campaign for collecting feedback from the customers. Prepare survey forms comprising of questions that prompt customers to define their expectations with respect to the sense of taste. You can replicate the same strategy for other campaigns as well.

### **Sounds like a Plan- Appealing to the Auditory Senses**

After the visual sense, the sense that is most easily influenced through digital marketing is the sense of hearing. In order for people to remember your brand, it is essential to connect it with a unique sound. Through repetitive playing, this unique sound can be imprinted in the memory of the buyer and they begin to associate it with the brand.

For example, the entire concept of advertising jingles is based on this. If you think about it, you just might easily be able to recall some famous jingles from your childhood and associate them with the brand that they promote. The benefits of using auditory marketing means are:

- It is easy to recall the tune or phrase that is often repeated.
- Associating the sound with the brand is a subconscious act.
- When the sound is catchy or amusing, people tend to share it more. Thus, generating more traffic.

Major brands through the course of history have used melodious jingles and witty catchphrases to attract the attention of buyers and leave an imprint in their memory. Often, creative jingles and other audio gimmicks tend to remain entrenched in our memories long after the businesses shut down and the products are discontinued.

### **One Touch is all it takes- Appealing to the Sense of Touch**

A known fact of human psychology is that the sense of touch is re-assuring. Using techniques to appeal to the customer's sense of touch is not a new concept; however, it was easier done when brick-and-mortar shops were still a trend. Appealing to the customer's sense of touch poses a bigger challenge when working with digital marketing. Some ways in which this strategy can be applied are:

- Using good quality fabric in cloth products.
- Using thick and high-quality cardstock paper for business cards.
- Using good packing materials that are, for example, eco-friendly and reusable.

By using quality material for marketing and selling, a business is able to leave a lasting impression on the buyer. A customer will always remember how the product and its packaging made them feel. If the buyers begin to associate the brand with good quality, they are more likely to return.

### **The Scent of Success- Appealing to the Olfactory Senses**

The sense of smell has played a huge role in the marketing strategies of yesteryear. Earlier, businesses would use magazine scratch cards in order to allow customers to physically experience the scent of the product or give out small samples for them to try. However, tickling the sense of smell of the customer's through digital marketing is another major challenge.

Much like appealing to the sense of taste, the human imagination plays a major role here as well. In order to appeal to the olfactory senses of the customer, it is important to create high quality, descriptive content where words like 'musky', 'minty', 'lemony' etc. may be used.



The usage of associated imagery may highlight these descriptions. For instance, while describing a product that has a lavender scent, it is wise to use images of lavender along with descriptive words such as 'sweet', 'fresh' and 'floral'.

## Results and Discussions

2020-21 is a year of reckoning for marketers like no other. Against the backdrop of global economic uncertainty heightened by the COVID-19 outbreak, there has been a spotlight on those accountable to the people they serve, and marketers to consumers have not been exempt.

The pandemic has forced brands to revisit their marketing strategies because as we now look to the recovery phase, there is so much more at stake. Whilst looking for new ways to reinvent themselves and embrace a whole new type of customer, marketers must forget the buzzwords and get back to basics by appealing to the five senses of consumers to drive the path to purchase.

Sensory marketing is traditionally associated with engaging in-store consumers, however, what if marketers can appeal to the senses of sight, hearing, smell, taste, and touch in a digital context?

For example, visual sensory is mostly used to connect with consumers online. Evolving technologies like artificial intelligence (AI), virtual and augmented reality and the Internet of things (IoT) are now key to building more interactive, immersive and informative online shopping experiences. Marketing tactics that target any of the five senses provide ample opportunity for brands to enhance their marketing objectives, action consumer insights and develop attractive creative to appeal to today's consumer.

### Sight

Consumer's attention spans are dwindling and for digital marketers, appealing to the sense of sight has become increasingly competitive. Marketers must go beyond traditional techniques like bold colours, logos, videos, and website design and integrate the latest technologies into their strategies. Augmented reality (AR) and virtual reality (VR) are gaining huge popularity because, for the first time, consumers are in full control of the interaction. As active participants, they can reinvent the real-life environment and try various combinations before making a choice to buy.

From virtual catwalks, vehicle demos to testing make-up using face-tracking algorithms, AR and VR make shopping online easier and more accessible for consumers, especially when content is personalized to the user's needs. AR provides a richer user experience that is more likely to increase consumers' perceived value of products and brands. VR helps build trust between a brand and consumer, which is crucial during the 'try before you buy' phase.

### Touch

Engaging the sense of touch in a digital context is difficult and has led to widespread webrooming and showrooming. These tactics make it harder for retailers to convert impulse shoppers but help provide the customer with their preferred shopping experience. Lot intertwined with AR and VR encourages mental simulation among consumers. In other words, imagining taking a specific action like using a product. Brands should also consider the use of multi-gesture apps and direct touch effects – like pinching and scrunching a material – to drive conversions online.

### Sound

Atmospherics in music, sound effects and voice-overs influence consumer behaviour by triggering emotion and memory. Recent industry research has found that nearly two-thirds (60 percent) of consumers globally find that "music lifts [their] mood". Many companies have an 'audio' brand to accompany their visual identity, namely music played in stores, jingles and so forth. The same goes for digital. Whether it be digital ads, social media

videos or embedded music on a website, marketers must select music that aligns with their brand messaging. A primary example is the affiliation of luxury brands with classical music.

Brands can successfully evoke emotion through sound at every customer touch point by treating them as colours (e.g. joy as yellow, grief as blue). Emotions exist on a spectrum and marketing can be truly effective if brands define which emotions they are trying to elicit from the outset. Do not underestimate the power of emotional marketing. Many decisions we make each day are dictated by how we're feeling in the moment.

### Smell and taste

Our sense of smell is tied to the part of the brain involved in motivation, emotion and memory. Therefore, it can affect how consumers behave and what they remember about a branded experience. Interestingly, when it comes to in-store shopping, scent can lead to a 28 percent emotional level increase in consumers, according to an independent sensory marketing study from Mood Media. Depending on the product, digital marketers can create and display images and use emotive language in a way that stimulates mental images of its texture, smell and even flavor. Scented packaging is also a key tool, allowing brands to develop a personalized smell which can be applied across the product range to help strengthen the brand identity as a whole or promote individual products. While the pandemic is a passing moment in time, brands will be remembered by how they supported their consumers in a time of need. Marketers must become more innovative in their approach to connecting with their target audience using real time data and the latest technologies. Central to this is creating multisensory experiences akin to a service and which ultimately integrate the brand into consumers' everyday lives.

### Conclusion

Buying is more an act dictated by emotions than by logic. It is human nature for buyers to have a bent towards products that make them feel good. Logic and reason enter the equation much later, while emotions get the first preference. Therefore, it is essential for businesses to use CRM software to strategize their digital marketing in a way that the customer is left feeling some kind of emotion. Appealing to the five major senses through digital marketing can be quite challenging. Despite its limitations, the fact is that digital marketing is much quicker, with a wider reach and an economical choice. With a little creativity, originality, and innovation, this challenge can be worked past and used to generate more sales.

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## IMPACT OF COVID 19 PANDEMIC ON EMPLOYEE WORK ATTITUDE

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### **Abstract**

*COVID-19 is both a global health crisis and an international economic threat. The worldwide lockdown of businesses and industries that were implemented and mandated to curb the spread of the virus generated a wide array of unique and fundamental challenges for both employees and employers across the globe. At the individual level, populations of shutdown affected employees were turned overnight into (a) “work from home” employees, (b) “essential” or “life-sustaining” workers. In the context of this economic downturn caused by the COVID-19 pandemic, many working adults are in danger of losing their jobs or having their salaries cut, which may threaten their mental health. In addition, their work attitudes may also change accordingly. Some people may be more satisfied with their jobs if their organization has enacted sound policies, while others may be less satisfied if their salary has been cut.*

### **Introduction**

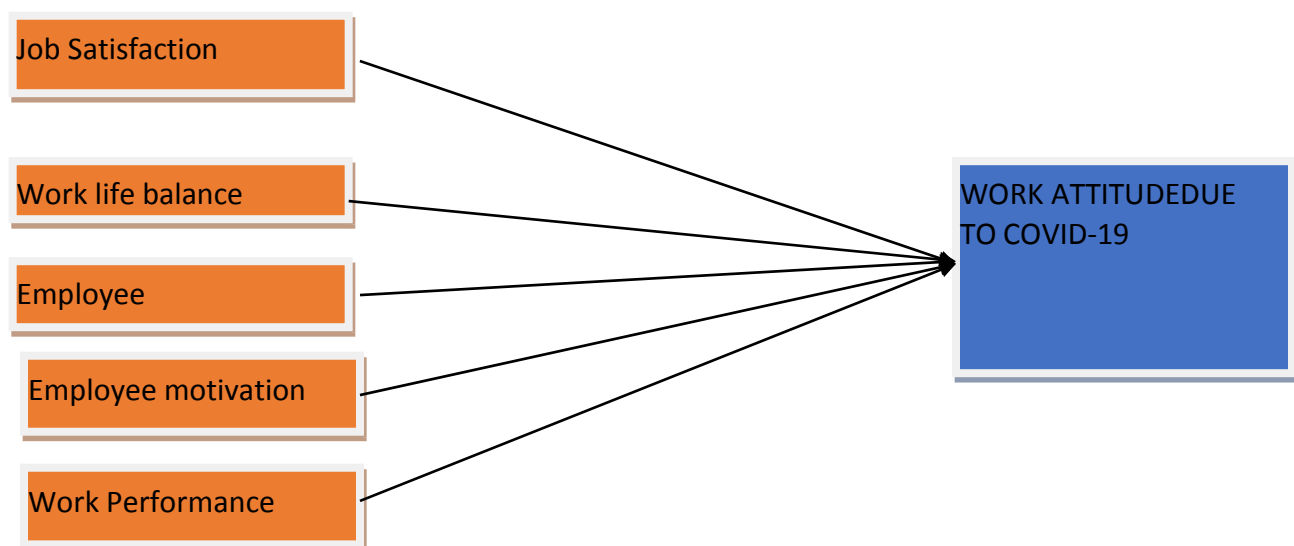
COVID-19 has become a major concern for the Globe. The social and economic effects of the COVID-19 pandemic would be far-reaching and devastating to everyone. In this globally connected world, every nation will get affected by destruction caused by the pandemic. COVID-19 is likely to lead to a permanent or long lasting outcome. By the time the pandemic ends, we're likely to see a new planet, a new world. As the epidemic of COVID-19 began to spread around the world, thousands of people began to experience serious health problems and death rates increased. The only way to avoid the spread of the pandemic was to stop all social and economic activities in the countries affected for an indefinite period of time. This has prompted many countries to enforce full lock-downs all over the globe, which are still on going on., all business operations in all sectors will come to a complete halt. The lockdown had varying degrees of effects on different industries. Airlines, hospitality, hotels, and the manufacturing industry, for example, have all ceased operations and will take a long time, if at all, to recover. Millions of workers would certainly lose their employment in these industries. In the least. Millions of individuals in these parts need aid probable to lose occupation for these parts. COVID-19 pandemic created gigantic disturbance done business, which will take a considerable length of time to recover, whether whatsoever. Many companies are likely to close permanently as a result of the disruption, unable to withstand the financial losses and disruptions caused by the pandemic. To get over the current situation companies are trying to run offices and administration jobs through the “work from Home mode. With the use of disruptive technology companies are trying to cope up with the economic turbulence which is caused by the covid-19 pandemic. Earlier the work from home mode was acceptable business practice only in IT and Technology sector. However, other Industry sector were reluctant to adapt WFH as a great business act. The greatest business progress that should be obvious today, constrained towards those worldwidespread the pandemic, is the large portions organization need been compelled with actualizing fill in starting with those home model for their representatives. Throughout the most recent the greatest business progress that should be obvious today, constrained Toward those worldwide spread the pandemic, is that large portions organizations need been compelled with actualizing fill in starting with those home model for their representatives. The WFH mode is making a difference some commercial enterprise what's more work over keeping its operations going done a constrained path.

### **Literature Review**

According to Song et al, (2020) Empirically investigate to evaluate their mental health and work attitudes as well as the associated factors, conducted a cross-sectional examination among people who resumed work after the Spring Festival holiday during the COVID-19 pandemic. The results show that worrying about unemployment is a significant risk factor for both mental health (i.e., anxiety, depression, insomnia and somatization) and work attitudes (i.e., work engagement, job satisfaction, and turnover intention), psychological strengths. International journal of environmental research and public health, 17(14), 5059.

Kaushik, Guleria (2020). The investigation has focused on the impact of COVID-19 infection pandemic on working life of representatives. Through the use of disruptive technology by working from home concept. The current pandemic situation has demonstrated that WFH is a powerful business cycle to guarantee continuity of business and furthermore to give work life balance to representatives. European Journal of Business and Management, 12(15), 1-10. Sasaki MD et al, (2020) The study investigated the links between workplace measures implemented in response to COVID-19 with mental health and work performance of employees in Japan. This was a cross-sectional study of a sample from a cohort study of full-time employees. The result shows that number of workplace measures correlated positively with respondents' fear of and worry associated with COVID-19, negatively with psychological distress and positively with work performance. Journal of Occupational Health, 62(1), e12134. Kaushik, Guleria (2020) Maintaining a decent compatibility with employees by making excessive correspondence and interaction is the need of the hour by helping them not only in the technological domain yet in addition in engaging and retaining them during this COVID-19 period. Study is about employee relations and engagement which have affected by the COVID-19 period. In this scenario secondary data collection method has been adopted. EMPLOYEE RELATIONS, 2(3). Yusof et al, (2017) To examine the relationship between organizational culture and employee motivation as moderated by work attitude among the multinational automotive industries in Selangor. Pearson Product Moment Correlation Coefficient and Hierarchical Regression Analysis were used. Result shows that all the dimensions in organizational culture had strong significant relationship with employee motivation. On the IMPACT OF COVID PANDEMIC ON EMPLOYEE WORK ATTITUDE 9 other hand, for moderating variable, work attitude does not significantly moderate the relationship between organizational culture and employee motivation. Journal of Administrative and Business Studies, 3(1), 21-25. Bajrami et al, (2020) Empirically investigate to test how different effects of COVID-19, expressed through job insecurity, employees' health complaints occurred during isolation, risk-taking behaviour at workplace and changes in the organization, may impact work-related attitudes and turnover intentions of the employees in hospitality industry. The SEM was used to test how effects of COVID-19 predict changes in job motivation, job satisfaction and turnover intentions. The outcome indicated that job insecurity and changes in the organization were predictors of all outcomes, in a negative direction, while risk-taking behaviour acted as a predictor of job satisfaction only, also in a negative direction. The significance of demographic characteristics, as control variables, showed that age and marital status had significant impact on job motivation and turnover intentions. International Journal of Hospitality Management, 102754.

### Conceptual Framework



- **JOB SATISFACTION** People's feeling about their work. It's probably the most critical job attitude, because it shows how happy an employee is at work. An individual with high level of work satisfaction tends usually to have a positive attitude, whereas a person who is unhappy has negative attitude towards their job.
- **WORK –LIFE BALANCE** Work –life balance is approach that allows employees of a company to balance their personal and professional lives. Work life balance allows employees to split their time on priority basis and to maintain a balance by devoting time to families, fitness, holiday, etc. Along with careers, business travel, etc. It's an important idea in the business world, as it helps to motivate the employees and increases their loyalty toward the organization.
- **EMPLOYEE ENGAGEMENT** Employee engagement is the emotional and psychological connection people have to the business they work for. A highly dedicated employee thoroughly understand the goals of the organization and is able to make any effort to achieve them.
- **EMPLOYEE MOTIVATION** Employee Motivation is critical for the company. It is the source of both the success and the demise of organization. Employee Motivation can be defined as the attitude of employees to their job. It's the drive and the enthusiasm that keeps people motivated and dedicated to work. It's what inspire them, or motivates to succeed or to turn up.
- **WORK PERFORMANCE:** Work performance refers to the manner in which individuals conduct their job duties. Job performance is considered to be significant parameter in every field.

#### Descriptive Statistics Mean, Standard Deviation, Variance, Skewness and Kurtosis for Independent Variables

Descriptive Statistics								
	N	Mean	Std. Deviation	Variance	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
JS1	74	1.53	.667	.444	.896	.279	-.308	.552
JS2	74	1.38	.566	.321	1.196	.279	.495	.552
JS3	74	1.46	.706	.498	1.228	.279	.121	.552
JS4	74	1.46	.744	.553	1.683	.279	2.473	.552
JS5	74	1.43	.621	.386	1.145	.279	.282	.552
EE1	74	1.47	.687	.472	1.663	.279	3.326	.552
EE2	74	1.65	.730	.532	.659	.279	-.838	.552
EE3	74	1.39	.569	.324	1.128	.279	.326	.552
EE4	74	1.39	.615	.379	1.696	.279	3.495	.552
EE5	74	1.43	.795	.632	1.572	.279	1.058	.552
EM1	74	1.68	.829	.688	1.268	.279	2.032	.552

EM2	74	1.65	.971	.943	1.595	.279	2.350	.552
EM3	74	1.46	.645	.416	1.099	.279	.112	.552
EM4	74	1.49	.687	.472	1.351	.279	1.555	.552
EM5	74	1.41	.521	.272	.690	.279	-.876	.552
WLB1	74	1.35	.560	.313	1.340	.279	.887	.552
WLB2	74	1.35	.584	.341	1.458	.279	1.171	.552
WLB3	74	1.39	.637	.406	1.399	.279	.812	.552
WLB4	74	1.49	.667	.445	1.047	.279	-.065	.552
JP1	74	1.47	.895	.801	2.088	.279	4.015	.552
JP2	74	1.28	.631	.398	2.390	.279	5.532	.552
JP3	74	1.46	.725	.526	1.475	.279	1.431	.552
Valid N (listwise)	74							

Descriptive statistics was done using SPSS software as shown in the table. Descriptive included mean, standard deviation, Variance, skewness and Kurtosis. Standard deviation is the statistical measure to measure the dispersion of the set of data values, whereas the variance is square of standard deviation.

### Skewness

If the skewness value is between -0.5 to -1 it means it is moderately negative skewed, +0.5 to +1 its positively skewed and if the value is more than the +1 it is highly positive skewed. From the above table we can notice that very few items of skewness values such as JS1, EE2, EM5 are between +0.5to +1that is positively skewed and other values are greater than +1 that is highly positive skewed. Hence the distribution right skewed.

### Kurtosis

Values of kurtosis should be less than +1.0 and -1.0 then we can consider items kurtosis values for the distribution is not outside the range of normality, so the distribution can be considered normal. From the abovetable we can notice that few items of kurtosis values are greater than +1.0 then the kurtosis for the distributionis outside the range of normality, so the distribution cannot be considered normal. Kurtosis values for these distribution is outside the range of normality and values are greater than + 1.0 then distribution is leptokurtic these items distribution cannot be considered normal. From the above table it indicates many independent variables items kurtosis values are less than -1.0 hence their distribution is platykurtik.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.616
Bartlett's Test of Sphericity	Approx. Chi-Square	685.076
	df	171
	Sig.	.000

KMO test measures sampling adequacy for independent variable and it is calculated as 0.616 as in the above table. Barlett's test of Sphericity is used to measure the inter significance of sampling. Table also infers the significance value is .0 so there is a significant relationship among the components and it is better framework and fit for conducting factor analysis. For the sampling size to be adequate the KMO value should be greater than .5.

Here KMO value is 0.616 hence the sampling adequacy for items of independent variable is medicorely acceptable.

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.708	30.043	30.043	5.708	30.043	30.043	3.129	16.467	16.467
2	2.146	11.297	41.340	2.146	11.297	41.340	2.819	14.835	31.302
3	1.597	8.405	49.744	1.597	8.405	49.744	2.278	11.989	43.291
4	1.529	8.048	57.792	1.529	8.048	57.792	2.121	11.161	54.452
5	1.377	7.246	65.038	1.377	7.246	65.038	2.011	10.586	65.038
6	1.070	5.631	70.669						
7	1.045	5.502	76.171						
8	.847	4.458	80.629						
9	.669	3.522	84.151						
10	.569	2.993	87.144						
11	.480	2.525	89.669						
12	.423	2.225	91.894						
13	.369	1.944	93.838						
14	.323	1.702	95.540						
15	.300	1.579	97.119						
16	.203	1.066	98.185						
17	.155	.817	99.002						
18	.103	.543	99.546						
19	.086	.454	100.000						

The first part of the above table shows the variance of all 19 items of the 5-independent variable forming the cumulating up to 100. Which depicts that the all 19 items play a significance role in their respective percentages. Other part of the table shows after the extraction of 5 factors depicting that these 5 factors are signifying by 65.038 % which also says that the left percentage is filled by the unnamed factors.

- 30.043 % of 1st factor, 11.297 % of 2nd factor, 8.405 % of 3rd factor, 8.048 % of 4th factor  
7.246 % of 5th factor

Are the 5 factors signifying by 65.038%. Approximately these 5 factors contributing 65% which can be noticed in the above variance table

### Reliability Statistics for Independent variable

To compute the reliability of each group of factors, the table below shows the alpha value that should be minimum of .6 and greater than indicates the items of the respective factors are highly reliable.

Item-Total Statistics					
	Cronbach's	Scale Mean if	Scale	Corrected	Cronbach's
	Alpha	Item Deleted	Variance if	Item-Total	Alpha if
			Item Deleted	Correlation	Item
					Deleted
EM5	0.778	5.82	3.626	.721	.694
WLB3		5.84	3.645	.526	.746
EM4		5.74	3.372	.589	.725
WLB4		5.74	3.700	.462	.769
EM3		5.77	3.659	.509	.752
JS2		4.64	2.701	.651	.681
JS3	0.768	4.55	2.470	.570	.712
JS1		4.49	2.555	.579	.707
EE2		4.36	2.536	.501	.753
JS4		4.30	2.678	.427	.838
JS5	0.79	4.32	2.441	.743	.671
EE3		4.36	2.701	.665	.716
EE1		4.28	2.453	.625	.728
WLB2	0.65	2.93	1.954	.399	.643
JP1		2.81	1.114	.546	.445
JP3		2.82	1.544	.486	.522
EM1	0.66	2.93	1.735	.544	.454
EM2		2.96	1.437	.529	.489
JP2		3.32	2.469	.376	.678

Reliability of the first group of Cronbach's Alpha is 0.778 with factor analysis of 5 items Reliability of the second group of Cronbach's Alpha is 0.768 with factor analysis of 5 items Reliability of the third group of Cronbach's Alpha is 0.79 with factor analysis of 5 items Reliability of the fourth group of Cronbach's Alpha is 0.65 with factor analysis of 5 items Reliability of the fifth group of Cronbach's Alpha is 0.66 with factor analysis of 5 items

### Reliability Statistics for Dependent Variable

Reliability Statistics	
Cronbach's Alpha	N of Items
.745	2

From the above table we can notice that the items of work attitude factor are reliable since Cronbach's alpha is 0.745

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation
WA1	1.57	.852	.139
WA3	1.69	.929	.139

### Regression Test

A quantitative research method which is used when the study involves modelling and analysing several variables, where the relationship includes dependent variable and one or more independent variables. It is the method for assessing the contribution of an independent variable to be observed variation in an experimentally observed dependent variable. To determine whether any of the differences between the means are statistically significant, compare the p-value of significance level of all the predictors (independent) variable with  $\alpha$  or alpha value 0.05. To assess hypothesis, if P(Significance) value of all independent variables is less than  $\alpha$  value then hypothesis is accepted. From this regression test it also determines Beta value (Path value) that measure how strongly each predictor variables influences the criterion (Dependent) variable.

### Regression test for Independent variables with Dependent variable (work attitude)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.650 <sup>a</sup>	.422	.381	.78171907

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.835	5	6.167	10.092	.000 <sup>b</sup>
	Residual	42.165	69	.611		
	Total	73.000	74			
a. Dependent Variable: WORK ATTITUDE						
b. Predictors: (Constant), EMPLOYEE MOTIVATION, JOB PERFORMANCE, EMPLOYEE ENGAGEMENT, JOB SATISFACTION, WORK LIFE BALANCE						

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-0.00	.090		.000	1.000
	WORK LIFE BALANCE	.333	.091	.333	3.635	.001
	JOB SATISFACTION	.021	.091	.021	.231	.818

EMPLOYEE ENGAGEMENT	.161	.091	.161	1.759	.083
JOB PERFORMANCE	.432	.091	.432	4.726	.000
EMPLOYEE MOTIVATION	.314	.091	.314	3.429	.001
a. Dependent Variable: WORK ATTITUDE					

From the above table we can notice that regression test is conducted by taking independent variables such as Employee motivation, job performance, employee engagement, job satisfaction, work life balance with dependent variable as work attitude. Independent variable checks the significance value (Pvalue) from the table we can notice that.

- Work life balance have a significance value .001 indicates that the values is less than alpha value 0.05, determines that there is significant relationship between independent variable work life balance and dependent variable work attitude.
- Job satisfaction have a significance value .818 indicates that the values is more than alpha value 0.05, determines that there is no significant relationship between independent variable job satisfaction and dependent variable work attitude.
- Employee engagement have a significance value .083 indicates that the values is more than alpha value 0.05, determines that there is no significant relationship between independent variable Employee engagement and dependent variable work attitude
- Job performance have a significance value .000 indicates that the values is less than alpha value 0.05, determines that there is significant relationship between independent variable job performance and dependent variable work attitude
- Employee motivation have a significance value .001 indicates that the values is less than alpha value 0.05, determines that there is significant relationship between independent variable Employee motivation and dependent variable work attitude.

Beta values of independent variables (employee engagement, employee motivation, job satisfaction, job performance, work life balance) associating with dependent variable (work attitude) are as follows:

1. Work life balance has path value is .333 towards work attitude.
2. Job satisfaction has path value is .021 towards work attitude.
3. Employee engagement has path value is .161 towards work attitude.
4. Job performance has path value is .432 towards work attitude.
5. Employee motivation has path value is .314 towards work attitude

### Hypothesis Results Factor 1: Job satisfaction

**H01:** There is no significant relationship between job satisfaction and work attitude

**H1:** There is significant relationship between job satisfaction and work attitude

Since significance value job satisfaction is Greater than alpha value, Sig (P-value)  $< =$  alpha that is  $.818 > 0.05$  it indicates that there is no significant relationship between job satisfaction and work attitude therefore Alternative Hypothesis H01 is accepted.

### Factor 2: work-life balance

**H02:** There is no significant relationship between work-life balance and work attitude

**H2:** There is significant relationship between work-life balance and work attitude



Since significance value of work life balance is lesser than alpha value, Sig (P-value)  $\leq$  alpha that is .001 < 0.05 it indicates that there is significant relationship between work life balance and work attitude therefore alternative Hypothesis H2 is accepted

### **Factor3: Employee Engagement**

**H03:** There is no significant relationship between employee engagement and work attitude

**H3:** There is significant relationship between employee engagement and work attitude

Since significance value of Employee engagement is greater than alpha value, Sig (P-value)  $\leq$  alpha that is .083 > 0.05 it indicates that there is no significant relationship between Employee engagement and work attitude therefore alternative Hypothesis H03 is accepted

### **Factor 4: Employee motivation**

**H04:** There is no significant relationship between employee motivation and work attitude

**H4:** There is significant relationship between employee motivation and work attitude

Since significance value Employee motivation is lesser than alpha value, Sig (P-value)  $\leq$  alpha that is .000 < 0.05 it indicates that there is significant relationship between Employee motivation and work attitude therefore Alternative Hypothesis H4 is accepted.

### **Factor 5: Work performance**

**H05:** There is no significant relationship between work performance and work attitude

**H5:** There is significant relationship between work performance and work attitude

Since significance value work performance is lesser than alpha value, Sig (P-value)  $\leq$  alpha that is .001 < 0.05 it indicates that there is significant relationship between work performance and work attitude therefore Alternative Hypothesis H5 is accepted.

### **Findings and Suggestions**

The KMO value of independent variables was found to be .616. It is done to see whether the collected data is relevance to conduct further tests. Later, factor analysis was done and the result of factor analysis of independent variables job satisfaction, Employee engagement, work life balance, job performance, Employee motivation has formed 5 factors. Then, reliability test was done to understand if the data is considered is reliable for further test. The KMO value of dependent variable i.e. Work attitude was found to be .5. Later, factor analysis was done and the result of factor analysis of dependent variable work attitude formed a factor. then the reliability test was done to understand if the data is considered reliable for the further tests. The R square value was .422. The Regression test for factor of dependent variable and 5 factors of independent variable it is found that 3 factors of independent variable Work life balance, Employee motivation, job performance have the significant relation with the work attitude i.e. The work life balance, employee motivation and job performance has the major impact on work attitude due to the COVID -19 pandemic. and the 2 factor of independent variable, Job satisfaction and Employee engagement, has found that there is no significant relationship the 1 dependent variable work attitude.

From the Finding we can suggest that the KMO value of both dependent and independent variables i.e. 0.616, 0.5 can be more desirable if there are more number of the respondent. In Regression the R square value which is .422 as the variable taken here are only 5, It is suggested that if there are more number of variables added the value of R square increases. In the Hypothesis result we can find that there are only 2 variables i.e. more than alpha value 0.5 which indicate that there is no significant relationship with the dependent variable work attitude. It is suggested to collect more number of data in order to get the significant value. The further study can be made on impact of covid-19 pandemic on employee work attitude in India. (Including hospitals from each state

## Conclusion

The Covid -19 pandemic has recently become a serious health emergency that has affected countries all over the world. The main purpose of this study is to identify the factors that are related to work attitude, as well as IMPACT OF COVID PANDEMIC ON EMPLOYEE WORK ATTITUDE 30 to assess the effect of the COVID-19 employee work attitude. From this study we can draw a conclusion that the among 5 factors of independent variable it is found that 3 factors of independent variable, Work life balance, Employee motivation, job performance have the significant relation with the work attitude i.e. The work life balance, employee motivation and job performance has the major impact on work attitude due to the COVID -19 pandemic. And the 2 factor of independent variable, Job satisfaction and Employee engagement, has found that there is no significant relationship the 1 dependent variable work attitude. The job satisfaction and employee engagement has no significant relationship with work attitude which means that the healthcare employee is satisfied with their job and the covid -19 pandemic has no effect. The sample was collected from 74 nurse employee (respondent) through online survey method.

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## A STUDY ON THE IMPACT OF COVID-19 ON HOME DELIVERY OF FOOD ITEMS THROUGH FOOD DELIVERY PLATFORMS

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### **Abstract**

*Businesses whether small or big had a hit either positively or negatively during this COVID-19 pandemic situation, and the lockdown which was imposed in the pandemic also caused people to turn to online purchases of every single item from groceries, basic essentials, medicine to electronic items. The research paper will focus on the Customers willingness, acceptance, and behavioural changes in the pattern of purchasing food items and edibles through online food delivery platforms. The research paper focuses on every factor to study the impact of coronavirus on acceptance of home delivery of food. The research nature is descriptive method, the size of the sample is 200 customers in Chennai and data collection method used in the research was "Questionnaire Method" and then the data was analysed with establishment of statistical tools and Neural Network (NN) Approach.*

**Keywords:** *COVID-19, Pandemic, Customers willingness, Acceptance and Behavioural changes.*

### **1. Introduction**

The COVID-19 pandemic has wreaked havoc on most facets of life, including people's ability to access products. Consumers have been held at home due to government-imposed lockdowns, preventing regular shopping habits, and many brick-and-mortar businesses have closed. Pharmacies and grocery stores, for example, have stayed open but with altered hours. Many restaurants have closed or resorted to takeout in order to stay afloat. For many customers, home delivery has provided a solution to some of COVID-19's challenges. E-commerce and home delivery may be a convenient option for staff who are expected to work remotely, as well as a number of other categories, such as parents who must manage work and parental duties, or those who are at risk of severe COVID-19 health complications.

When the pandemic of coronavirus hit the world the food industry and related services were heavily impacted. This outbreak led the Indian government to make the food delivery and restaurants business to be categorized as critical services. Since more than 20% of population in India relies on online food and restaurants services on daily basis which include students, working young people, and paying visitors these services needed to be started again. This pandemic has in more than one way created challenges for online food delivery and food industry in large that could have lasting effects.

Food industry, such as online food delivery services, are eager to provide food. Customers, on the other hand, are wary of placing orders during the pandemic, despite the fact that many online food delivery services have allowed the delivery personnel to equip themselves with protective gear and encouraged customers to pay digitally to ensure contactless delivery. The cleanliness conditions of the restaurants and the sanitary conditions of the food deliver personnel are some of the major reasons behind people not trusting the online delivery of food and services of online food delivery platforms.

Current consumers have been forced to rethink their potential buying decisions as a result of these problems. The aim of this study is to compare the acceptance criteria of customers who ordered food through online mode and other related services during the coronavirus outbreak in the country based on their personal characteristics to those who did not. The study is to find out the characteristics of people ordering food online and to what extent does the normal population accept the idea of online delivery of food items during the Covid 19 outbreak by looking at the number of orders made for online delivery.

Despite the problems encountered by people in ordering food through online mode because of the pandemic, problems like shortage of food inventories, unavailability of public transport system, less hours to work at convenience stores and supermarkets, a great percentage of people have been able to get access to sufficient amounts of food stocks. All this can be related largely to the fact that there is a rapid increase in number of online food apps which encourage people to order their meals online and to have it sent to their homes or pickup by themselves without entering the restaurant itself. Programs which encourage shopping for groceries and ordering food online can also help in minimizing the spread of Covid-19 virus by decreasing the interaction between customers and sellers creating a safe environment in itself. Therefore, considering all the facts that customers are shifting to order food online and shopping for groceries online due the pandemic has consequences for the retail market as well.

The online grocery shopping market is at a pivotal point in its evolution. Prior to the COVID19 pandemic, it was predicted that online food business would challenge the footfall of onsite food restaurants and markets, However the sales made through deliveries and orders made online in all totality were less 5% of overall sales. Nonetheless, as websites grew more user-friendly, online purchasing increased at a steady pace, making it impossible to distinguish the spike in shopping attributed to COVID19 from longer-term patterns. By reviewing the cases and people's response to ordering food online this paper points the general thinking of public to acceptance of food delivered online through online food delivery systems.

Zomato is one of the leading online food delivery services, and recently, it acquired UberEATS for around \$350 million. This resulted in capturing nearly 50-55% of the market share in terms of numbers of orders, getting ahead of their closest competitor Swiggy (ETtech, 2020). Swiggy started in 2014, and made a late entry into a vast market, and the only competition was Zomato, which was the leader of the food tech industry. Within 4 years, Swiggy has joined an elite list of start-ups, and their competition with Zomato is so severe and intense at present that the latter is investing in hundreds of crores to catch up with Swiggy (Livemint, 2020). Since the merger of Zomato and UberEATS, there is an expectation that the market share is going to reach between 50-55% on the basis of current numbers thus overtaking Swiggy. Overall, the competition between Swiggy and Zomato has been intense, but Swiggy is at the top with the highest repeat order rates, and it's the customer's favourite app to order from. According to a stat, about 90% of consumers choose only Swiggy (ETtech, 2020). The Indian online food industry is expected to grow up to \$12.3 billion by 2023. The global growth is 9.01%, the online food delivery market in India is growing at a rate of 15%. Swiggy has sales of \$1.5 billion, whereas Zomato is at sales of \$800 million. Jointly both the companies have delivered 96 million orders from April 2017 to March 2018. (Visakhapatnam News, 2020).

The diversity of applications including food apps, has become very important for the business to innovate and enthrall existing consumers. There is little evidence about how the internet and mobile technology has supported consumers in meeting their daily demands by using a display to order from their preferred restaurants. The importance of this research is that it defines consumers' attitudes towards the utilizing of food apps, and how these apps have built-in purchasing, planning, and socially enjoying meals and snacks (Levin, Heath, and LeVangie, 2015). The increase in income of the family members, changing lifestyle and eating patterns have to lead to an increase in market growth. The demand of food apps are growing coupled with affordable prices and this has led to the growth of the business. (Business Insider, 2020).

India holds the record for being one of the youngest populations around the world with the average age standing at 27 years. The combination of a young demography and disposable income has increased the demand for new-age platforms like food apps. This has resulted in impulsive purchasing power because the willingness to try new products or services is high, thus leading to the growth of food apps in India (Inc42 Media, 2020) (Business Insider, 2020). Overall, the author has stated about the growth of food apps in India, how Swiggy and Zomato has started and changed the consumers perceptions completely.

## 2. Literature Review

Customers are rapidly heading online, which has fueled rapid growth in the e-commerce industry over the last decade. This shift in consumer shopping habits has been fueled by a variety of causes, some of which are industry or country-specific, while others are the product of global shifts. Most of it can be attributed to the availability of increased number on online food deliver business, abetter understanding by consumers about the developments of online e- commerce, a better easy and secure option for online payments of services, disposable income on the rise, work from home decreasing time for people to invest in making food themselves. All this is even more prominent in developed countries.[2].

The fastest-growing region for e-commerce in recent years has been China, where revenues totalled US\$1.935 trillion in 2019, more than three times the amount invested In the second largest market which is the U.S having US\$586.92 billion Out of the total market share china alone accounts for the 54.7 percentage of e-commerce businesses globally which is double the amount of total market share of next five countries in line which are the united kingdom, unites states, south Korea, japan and Germany [3].

Many new categories of the industry have arisen as a result of the exponential development of e-commerce, some of which are business to business (B2B), business to customer(B2C), customer to customer (C2C), and online to offline (O2O). Online to offline operates using the IT infrastructure i.e., information and communication technology wherein the order for any service, product or function is made online but he delivery or collection is through an offline site.

The proliferation of smartphones and laptops, as well as the growth of technology to enable payment and distribution, has been one of the major factors behind the O2O commerce boom. In the year 2019 alone, it was estimated that there were 5.2 billion smartphone connections, and as the year 2020 ends it is estimated that almost half the world's population is going to have smartphones and internet connectivity.

Online to offline mode of business appeared in a variety of areas, including the buying of a wide range of products and services, some of which are real estate, food services, hotel services and renting cars [10]. The method of preparing and delivering food that has been ordered online is referred to as online FD. The growth of online food delivery services has grown because of emergence of certain online food delivery services such as Uber Eats, Deliveroo, Swiggy, and Meituan. These systems of ordering food through online means takes care of a lot of things like providing a greater array of food options to customers, taking care of orders and connecting with food suppliers, making online payment easy and secure, organising food distribution, and also giving customers the option of tracking their food online [11].

Restaurant-to-Consumer Distribution or Platform-to-Consumer Delivery operations are the two forms of food delivery systems [13]. Restaurant-to-Consumer Delivery services are the ones that sell prepared meals to customers examples of which are Domino's, KFC, McDonald's etc. There is an option of either placing an order directly on the restaurant server or through any third-party apps. Now these third-party apps and services are different in different countries such as in India Swiggy, in the UK its just eat and in China Eleme. These third-party apps which are platform-to-Consumer distribution mechanism actually provide online delivery services for affiliated restaurants who does not possess the delivery services themselves.

Online FD necessitates real-time distribution services that are both efficient and scalable. These online food delivery restaurants can choose to deliver food via existing employees in case of small-scale restaurant or trained delivey professionals can be hired or recruited in case of major restaurant chains such as Dominos or KFC. Another way for restaurants is to utilize on the availability of crowdsourcing logistics which is a low-cost alternative for delivering food online [14]. These foods deliver platforms online can either hire and train delivery people themselves, or they can use crowd procurement logistics to use delivery people who aren't even employees of these platforms. In case of profession delivery partners who are qualified have their pay fixed to certain amount

and the rest relies on the commission, but in case the delivery personnel are private contracts they are charged on commission basis only.

The system of food delivery through online mode is a global phenomenon, with every country having a least one prominent online food delivery system. In this regard of online food delivery system China is leading with united states following closely, and the developing countries like Brazil and India having a rapid rate of growth (>9% CAGR).

In terms of developing new opportunities and cultivating customers' eating preferences, food delivery industries online are now much more conscious due to coronavirus pandemic, they have to now cultivate a sense of safety among the customers that the service being provided to them is healthy and all necessary safety precautions have been taken. An investment of 3 billion yuan has been made in china by Eleme over a course of three months during 2018 for a competitive marketing strategy campaign to raise their market share up to 50 %.[16]. However, the online food delivery services are very prominent in some countries it is on a global scale still in its growth stages, and for the online food market to grow it will require financial advertising, subsidies, restaurants to partner with and substantial investment from various fronts [17]. If subsidies are provided to participating restaurants then it will be easier for the online services to attract customers by offering better rates or discounts which will eventually help the online food market to grow. And the partnering restaurant will also gain from this as they will receive a greater footfall and exposure to a larger customer base. For the online food services to grow it is important for them to cultivate people's food habits online. So, by encouraging them to eat through online food delivery mode and not get into hassle cooking food themselves online food market will continue to grow.

Young adults around the world are rapidly accepting and embracing online food delivery, the evidence of this is very apparent in china itself where the Covid-19 pandemic originated. 71.45% of university students in Nanjing university among the 1000 interviewed in a 2019 study admitted to using any kind of online food delivery service for the least part of 2 years, and a majority of 85% students used them as frequently as once per week [23]. Similarly, in other parts of world also studies have shown that people are gravitating towards online mode of food delivery specially during this pandemic times since travelling and going out to buy fresh produce is becoming very difficult for most of them. This opens up new opportunities and gates for all such online food delivery industry to leave a mark and capitalize on this opportunity created due the Covid-19 pandemic. Although the differences like cultural barriers, social norms, safety issues, economic instability can pose difficulties for online FD industry but it can be worked around to create better service.

According to the research paper of Rajesh and Purushothaman (2013), "Consumers Perception towards online", shopping based on e-shopping is very popular due to ease of convenience and low prices. During holidays, online shopping is a savior for an individual from having to go to different shops and waiting in long queues to buy an item. The internet has revolutionized the consumer's shopping habits of purchasing goods and has proved to be a global success. A lot of companies have started using the internet with their aim of cutting marketing costs, reducing the price of products to counter competition. Silpa and Balasubramanian (2016) conducted a study that talks about "people perception towards online shopping." In this survey, a lot of people find online shopping better and easier option, though some found it challenging. A lot of people think that online shopping will be more in demand than offline shopping. In the future, online marketing has a vast scope, and people will prefer cash on delivery (Manjunatha, 2018). The research paper by Chaing and Dholakia (2014) "Influence of e-commerce on buying behavior of customers" talks about why customers purchase goods online while shopping. There are three variables in his study that affects consumers to buy online. These are the features of a shopping site: type of product, its characteristics and price of the product. The study also states that the accessibility and convenience of using shopping sites that create an option for the customers allowing them whether to purchase or not. There are also a lot of difficulties that the consumers face while buying online. That's why they switch to offline shopping. Whereas for those consumers that encounter problems in offline purchasing they're more comfortable with online shopping. In the same research paper Iyer and Eastman, (2014) states that the senior population who have knowledge about technology have a positive attitude towards online shopping. But the

population of senior consumers who are not aware of the internet is not involved in shopping because they don't have a positive attitude towards online shopping and focusses on offline shopping (Kumar and S, 2018).

Bamasak (2011) came up with a point about the future of e – payment. Illegal use via mobile phones and the security involved were the main issues in digital payments. Liu et al. (2012) found out that digital wallet payment gives the consumer added convenience by providing flexible payment options and an increase in the speed of transactions. Padashetty and Kishore (2013) explain the ease of use, express mode of use, and trust adopted in digital payment through wallets, and they act as motivators to bring in digital payments. Other factors like innovativeness, incentives, convenience, and legal provisions have contributed towards the improvement of e-payment. According to Roubiah (2015), factors like poor security, lack of trust, fear of failure, high charges, and inadequate familiarity are the main issues that affect e-payments. Other than safety, internet banking facilities and privacy also affect epayments (Hariharan and Selvakumar, 2018). E-payment on mobile phones has been a practice since many years. Also, a lot of consumers prefer to use mobile phones for making payments. Digital wallet has become an important component for the consumers. The Digital wallet gives many benefits like convenience, security, and affordability. The increase in technology has allowed this mode of payments to be the most convenient and easy form of transaction. It is also accessible and acceptable. Consumers are inclined towards mobile payments, which offer benefits like flexible payment wallet brands and offer convenience to the customers. Factors such as perceived ease of use, express mode of use and trust enhances the adoption of the digital wallet as a form of payment. Digital wallet payments add convenience to shoppers by adding various payment additions. Shin and Ziderman in the research paper “Study of consumer perception on digital payment” in 2016, tested a model of consumers accepting mobile payment, which is known as the theory of acceptance and use of technology, which builds upon security, trust, social influence, and self-efficiency. Digital wallets offer a convenient way of payment for consumers without them having to swipe their debit or credit cards (Singh and Rana, 2020).

Customers' point of view towards online food purchases show their comfort in using food apps. Even their preference among the mobile food apps are the choice of perception based on consumer feedback. The smart system has cut down on paperwork and time taken by a waiter at the restaurant to write down the order because technology is utilized to deliver the food at any given point of time. In retrospect, these new technologies based on food ordering, have become a concern regarding healthy dining. This can be adapted towards a healthy diet along with customized diet plans (Preetha and Iswarya, 2019). According to Murat, Alagoz and Hekimoglu's research (2012), e-commerce is growing extensively worldwide, and has led to an increase in the growth of the food industry. The researchers have adopted the Technology Acceptance Model as a base to understand online food ordering apps. The attitude of consumers towards online food ordering like Swiggy and Zomato has made it accessible and useful for ordering online. Furthermore, it also varies with respect to innovation in information technology, attitude towards e-commerce websites and external factors like social media, friends, and family. According to Chavan (2015), smartphone mobile interface for the consumers to track their orders and follow up has given an advantage to restaurants in delivering orders to consumers quickly. The analysis has come up with the conclusion that ordering food online is convenient, effective, and easy to use, which is expected to improve day by day. The research of Sethu and Saini (2016) was to analyze the perception, behavior, and enjoyment involved in ordering food online. Furthermore, the study shows that online food ordering is time efficient due to the options available to them. They can view their favorite food online at any time through free access to the internet. The research paper of Kimes (2011) “An Analysis of Online Food Ordering Applications in India: Zomato and Swiggy”, perceived control and convenience in food apps are essential for the users as well as to non-users (Saxena, 2020).

### **3. Research methodology**

The study relies on secondary data to perform the analysis, which includes previous studies and subsequent research focusing on the effect of covid-19 on home delivery of food products through food delivery platforms. The analysis approach is analytical, and the whole paper is focused on systematic analyses of previous research in this field.

#### 4. Data analysis

##### Hypothesis testing (interpreted analysis)

The analysis is done through the t-test sample where there are two variables. Variable 1 is heavy user whereas variable 2 is light user.

HO1: there is no difference between heavy and light users with respect to perceived ease of usefulness of app.

HA1: There is a difference between heavy and light users with respect to perceived ease of usefulness of app.

##### Hypothesis 1.

the alpha value is .05 and P value is .18 so the P value is more than the alpha value hence the results states the null hypothesis cannot be rejected and there is no difference between the perceived ease of usefulness of customer using food apps. **The interpretation made is that there is no difference between the heavy and light user with respect to the perceived ease of usefulness for respondents.** In both the categories the respondents find it easy to use food apps. Given that the scale used was Likert scale with 1 = strongly agree to 5 = strongly disagree, the mean value of heavy users category is 2.88 and the mean value for light users category 2 is 3.04. **This indicates that the two categories of users view the perceived usefulness of the app in a similar manner.** The heavy user category is closer to the agreement of the app being useful, however the difference between the two is not statistically significant. less the mean more the usage from the test above, it states there is majority of heavy users as compared to light users maybe the heavy users use food apps more frequently as compared to light users.

HO2: there is no difference between heavy and light users with respect to perceived usefulness of app. HA2: There is a difference between heavy and light users with respect to perceived usefulness of app.

##### Hypothesis 2.

The alpha value is .05 and P value .00 so the P value is less than the alpha value hence the final result is the null hypothesis is rejected and there is a difference between the perceived usefulness of customers using food apps. **The interpretation made there is a difference between heavy and light user when it comes to perceived usefulness for respondents.**

In both the categories the heavy user is skilful in using the food apps whereas the light user may find it difficult to use. According to the Likert scale where 1 = strongly agree to 5 = strongly disagree, the mean value for heavy user is 2.03 and the mean for light user is 2.50. This shows that there is a difference between the two categories of users and how they use the food apps. **Maybe the heavy user are using food apps practically all the time as compared to light users hence there is a difference in perceived usefulness.** Therefore less the mean more the usage and from the above test it states that heavy users are more as compared to light users.

HO3: there is no difference between heavy and light users with respect to the trust on app. HA3: There is a difference between heavy and light users with respect to the trust on app.

##### Hypothesis 3.

The alpha value is .05 and the p value is .00 so here the P value is more than the alpha value and the null hypothesis is rejected and there is a difference between the trust of customers using food apps. **The interpretation made is that there is a difference in trust using food apps between heavy and light users.** According to the Likert scale where 1 = strongly agree to 5 = strongly disagree, the mean value for heavy users is 2.18 and the mean value for light users is 2.63. this shows there is a difference of .45 between the categories maybe **the heavy users trust using food apps more as compared to the light users who may find it unsafe to use food apps.** Lesser the mean, more the usage and hence it is proved that there are large amount of heavy users who trust food apps as compared to the light users.

HO4: there is no difference between heavy and light users with respect to external influence of app. HA4: There is a difference between heavy and light users with respect to external influence of app.

#### Hypothesis 4.

The alpha value is .05 and the P value is .00 so the P value is more than the alpha value hence the null hypothesis is rejected and there is a difference between customers getting influenced by external parties in using food apps. **The interpretation made is that there is a difference between heavy and light users with respect to getting influenced by external parties like friends or family.** According to the Likert scale where 1 = strongly agree to 5

= strongly disagree, the mean value for heavy users is 2.43 whereas the mean value for light users is 2.83. from this above stats, it shows that **both the users may have a certain level of difference when it comes to being influenced by friends and families maybe the heavy users may get influenced quicker as compared to light users or maybe the heavy users trust external parties as compared to light users** hence there is a difference between the heavy and light users getting influenced externally.

HO5: there is no difference between heavy and light users with respect to innovation in the app. HA5: There is a difference between heavy and light users with respect to innovation in the app.

#### Hypothesis 5.

The alpha value is .05 and P value is 0.18 so here again the P value is more than the alpha value hence the null hypothesis is rejected from the above result and there is a difference between customers finding food apps innovative. **The interpretation made is that there is a difference between heavy and light users with respect to innovation in food apps for respondents.** In both the categories, heavy users find food apps innovative whereas light users don't find it innovative because According to the Likert scale where 1 = strongly agree to 5 = strongly disagree the mean value for heavy users is 2.07 and the mean value for light users 2.61. the huge difference of .54 suggests that **maybe heavy users use food apps almost daily skilfully and hence they are able to find some new and innovative features whereas light users maybe use it sparingly and are unable to see any sort of innovation** hence heavy users find food apps innovative as compared to light users.

#### 5. Findings

Overall, this report has carried out a survey which consists of 26 questions out of which 4 were multiple-choice questions, and 22 were Likert scale questions. Furthermore, 5 hypothesis were framed while preparing the questionnaire from the TAM model. The questionnaire addressed all the age groups using food apps, and from the study majority of users use it on any occasion, and they feel that food apps are the fastest and efficient way of ordering food as compared to the traditional form of ordering via the phone. Furthermore, respondents have mixed feelings over paying online as nearly 63% of users pay for their food via cash on delivery, and about 37% use another form of payment like a credit card, debit, net banking, or another form of payment. From this, it reflects that not everyone prefers paying online as they feel that an online theft or error may occur or transactions would be slow; hence they use cash on delivery. Moreover, the heavy and light users find it easy to use food apps however the light users are not that skillful enough to use food apps as compared to the heavy users because maybe the former group uses it rarely as compared to the later hence there is a difference between ease of use between the heavy and light users. There is a difference between heavy and light users when it comes to trust while using food apps, perceiving any kind of innovation, and getting influenced by external factors. In this overall study, the researcher has found that there are two types of users who use food apps, which are heavy and light users. The study also answers the research questions like how consumers perceive food apps and what are the factors through which they get influenced to use food apps. The study also fulfills the objectives of how food apps have changed customer's perception of ordering online and level of satisfaction achieved while using it.

There are certain sections like usage and food app preferences customers use comparing to the study of the journal "A STUDY ON CUSTOMER'S ATTITUDE AND PERCEPTION TOWARDS DIGITAL FOOD APP

SERVICES” by Parashar and Ghadiyali, in 2017, there are differences when it comes to the usage and factors while using food apps, however, the survey conducted from the journal mentioned above suggests that fast food delivery app is the most widely used food app of up to 76% because of the factors like speed of delivery and service quality, hence customers prefer ordering from fast food delivery apps. Whereas this study suggests that Swiggy is the most preferred app because of the innovative features like discounts, service quality and variety of food available on them. However, both the studies suggest that cash on delivery was the most preferred food payment feature. Furthermore, in both the studies, respondents get affected by marketing factors like an advertisement, social media posts, friends and family members word of mouth. Hence, there is no difference between the heavy and light users

The best part about conducting this survey was that all the respondents had different answers to the questions that were asked of them and what was their point of view or own perception when they use food apps. Another highlight of carrying out the questionnaire was, with the increase in technology food apps are playing an important role in shaping the food industry as well as customer perception, food apps have become a huge trend overall in the world and irrespective of age group, income group or demographic location or customers segmentation, there is daily usage of the same. The researcher feels that there is proper connectivity, ease of tracking their order and prompt response to their complaints, hence a lot of people use food apps and most importantly it is the easiest, comfortable and efficient way of ordering food and customers have a lot of options and choices available for them to try.

The limitation the researcher found was that the number of people who have taken the survey was not as vast as expected, and a detailed understanding of customers using food, apps weren't achievable in terms of what was the difference between ordering via telephone and using food app and any problems they have faced while using food apps.

## 6. Conclusion

To conclude this research on customer's perception of food apps, it is thus inferred that a majority of people use food apps as it's the best way to save time and is convenient. Furthermore, ordering via food apps is a precise operation. Among the respondents, the most preferred food app is Swiggy, and cash on delivery is the safest and most secure form of payment. The study also states that all age and income groups use food apps, and they are happy with the service quality, hygiene, and packaging system, which make people order from food apps. The questionnaire had very interesting answers such as do people still prefer cash on delivery as a preferred mode of payment as compared to the trendy online payment. Furthermore, the questionnaire also found that some people still prefer the old fashion way by ordering over the telephone and overall people get influenced by offers and variety of food apps and they are preferred as they are the fastest way of ordering food. The overall reflection on this research states that all the customers use food apps in today's day and age because of its rapid response. It enhance my understanding of people's preferences, the efficacy in time management, affordability, food preferences, discounts available and door-to-door service without compromising on quality.

This study shows that a large number of online food delivery services have been impacted a various number of stakeholders involved in various ways due the pandemic of Covid-19. The impact and its repercussions can be categorised in either a 'negative' or 'positive' way and a lot of effort has been put into doing so but fundamentally it can be argued that these impacts can be categorised in various other classifications. For example, there has been a lot of traction generated due to coronavirus pandemic which has created a lot of opportunities for online food deliver services and impacted it in positively in this sense. Also, it has created an environment where consumers don't have to leave the comfort of their homes and now can get food delivered to their doorstep without any physical ouch involved i.e., positive outcome for consumers. But at the same time, it has left the food delivery personnel more susceptible to the spread of the virus a negative impact on part of food delivery services.

In summation this study has made three major revelations. Firstly, this thesis studies the effect of Covid-19 on online food delivery by studying various scholarly articles ranging widely in different topics of for rise of online food delivery. Second, a lot of concerns and difficulties related to delivery of food online during a pandemic has been highlighted. Third, it focuses on the possible future of online food delivery market, its potential for growth, concerns for safety and possibilities for all related parties to capitalize on the positive side and mitigate the negative risks. Thus, ensuring that the future of online food deliver and its acceptance is very promising and must be continued.

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## **A COMPARATIVE STUDY OF SECURITY MEASURES TOWARDS MOBILE BANKING SERVICES IN SELECTED PUBLIC AND PRIVATE SECTOR BANKS IN MYSORE CITY**

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### **Abstract**

*This paper deals with comparative study of security measures of mobile banking system related to consumer awareness towards Mobile banking security system with special reference to Canara Bank and Karnataka Bank Ltd Mysore city. Data for this investigation were collected from primary as well as secondary sources. The sampling is random. The data was collected during the months between March to April, 2021. The data collected from the primary source were analysed with the help of various statistical measures such as chi square test and one sample test analysis were used. Secondary data have been collected from books, journals, newspapers, internet and periodicals.*

**Keywords:** *Mobile Banking; Security Measures, Awareness of Public And Private Banks.*

### **Introduction**

With the widespread use of internet over the last decade, the banking industry has gradually shifted to a more technologically advanced, secure, and sophisticated mode of transaction. Banking transactions have become so simple that you can actually make transactions at your fingertips. All you need is a mobile with an internet connection for mobile banking. Mobile banking allows transactions between different accounts, payment of utility bills, checking of the account balance, and more without any additional fee.

Mobile banking is one of the areas mobile commerce that has extensive communications with other areas of mobile commerce. The one hand, mobile banking is associated with customers and on the other hand, is capable of other firms that are active in the field of electronic commerce, provide effective financial services. In this paper we describe the definition of mobile banking, Evolution and finally to describe number of benefits for users of these services.

Mobile phones as a delivery channel for extending banking services have off-late been attaining greater significance. The rapid growth in users and wider coverage of mobile phone networks have made this channel an important platform for extending banking services to customers. With the rapid growth in the number of mobile phone subscribers in India (about 261 million as at the end of March 2008 and growing at about 8 million a month), banks have been exploring the feasibility of using mobile phones as an alternative channel of delivery of banking services. Some banks have started offering information based services like balance enquiry, stop payment instruction of cheques, transactions enquiry, location of the nearest ATM/branch etc. Acceptance of transfer of funds instruction for credit to beneficiaries of same/or another bank in favour of preregistered beneficiaries have also commenced in a few banks. In order to ensure a level playing field and considering that the technology is relatively new, Reserve Bank has brought out a set of operating guidelines for adoption by banks .

Technology plays an important role in banking sector. Banking is one of the largest financial institutions constantly explores the opportunity of technology enabled services to provide better customer experience and convenience. Mobile phone is a common technology device that became part of every individual in the information era. Mobile Banking is an emerging alternate channel for providing banking services. India is the second largest telecom market in the world, which is having high potential for expanding banking services using mobile. However, mobile banking has not become the choice of millions of people. The main objective of this study is to identify the mindset and analyse the security issues in Mobile banking among the banking customers in India.

### **Review of Literature**

Nidhi and Sinha (2016) This study is conducted on “A Study on Mobile Banking and its Impact on Customer’s Banking Transactions: A Comparative Analysis of Public and Private Sector Banks in India”. In India, we have more than 900 million mobile users but still mobile banking is used by 40 million customers approximately. There can be various reasons behind this, such as need of active collaboration between banks and Telecom Company, lack of accessibility to customers, cost, awareness about the mobile banking app etc. Banks have to work on creating mobile banking awareness among the customers. They need to promote the benefits of mobile banking and its effectiveness. In this paper, we aim to determine customer perception about mobile banking services of banks. Customer has different views on mobile banking services provided by their service providers. We examine the expectations of customers from banks towards mobile banking system.

Ibrahim (2017) this study is conducted on “Mobile Banking and Customer Satisfaction” Information technology is considered as the prime driver for the changes taking place around the globe. Mobile banking is the latest and most innovative service offered and given by the banks. In order to achieve the objectives of business, several channel of communications to customers have to be evolved through technology. Technology is the primary key to move towards providing integrated banking facilities to consumers. Indian banks have been late starter in the acquisition of technology for automation of procedures and the un-segregated banking facilities. Mobile banking is an application of mobile accessing which offers the customers with the support required to be able to bank anywhere, anytime using a mobile handheld gadget and a mobile facility such as Short Message Service (SMS). Mobile Banking refers to requirements of banking and financial facilities with the use of mobile telecommunication devices.

Aldiabat (2018) this study is conducted on “The Effect of Mobile Banking Application on Customer Interaction in the Jordanian Banking Industry” Banks have changed from paper-based banking solutions provider to the latest of the technologies like mobile banking. Adoption of mobile-banking has received more attention in recent years, because there are more phones than computers in the market. But, like in any emerging technology, there exist barriers to the adoption of mobile banking services. This study will attempt to technically address these largely unfounded factors while helping to lay a roadmap for proper implementation of mobile banking technology in the Jordanian banking industry. The study found that Supportive Access factor of mobile banking is associated with the user satisfaction related to mobile banking.

Khot (2019) This study is conducted on “The Impact of Mobile Banking on Customer Satisfaction” Technology is a driving force in the global age and is taking over in every way; mobile and internet banking is just a few examples of the ever developing technology advancements. Mobile banking is a new way of banking, as it makes it easier for consumers to access their finances, even from rural/remote

areas. Mobile banking technology which is the third era of technological innovation of banking sector after phone and net banking and comparatively its growth is phenomenal when compared to the first two eras. Currently in India the Mobile Banking is growing fast because demonetization of economy, the customers are opted for online banking and M- banking facilities provided by the bank and the world's second largest subscriber base in mobile sector therefore this leads to increases the mobile banking users in India. The purpose of the study was to investigate the effect of mobile banking on customer satisfaction in banks.

Rajeshkumar (2020) this study is conducted on “An Empirical Study on Adoption of Mobile Banking Facility among Customers of Banks in North Gujarat” With the introduction and advancement of mobile technology and devices, bank customers get access to banking service at any time and at any place. In the recent period of spread of Covid 19 pandemic people prefer to avoid physical visits to bank branches so studying the factors influencing intention to use mobile banking is very important to investigate. The goal of the research paper is to investigate the factors responsible for adoption of mobile banking among the customers of banks in North Gujarat. The researcher has reviewed research papers on factors affecting adoption of technological products in India and abroad. Based on literature review, a researcher identified certain factors and data collected through structured questionnaires.

### **Objectives of the Study**

The research objectives are

1. To analyse the demographic profile of the respondents;
2. To study the awareness of Mobile Banking Security system;
3. To measure the level of security and privacy satisfaction among customers.

### **Research Methodology**

This study is based on both primary and secondary data. Primary data were collected through a questionnaire consisting of both close ended questions while more focusing on close ended questions. Secondary data collection was done through relevant publications and web sites. The population of the research was the Mobile Banking users of Canara Bank and Karataka Bank Ltd. 100 residents in each banks in Mysore City who are using this mobile Banking as the sample by using convenient sampling method. And analyse the data chi-square test, T test are used in order to analyse the data.

### **Analysis and Interpretation**

#### **Demographic Profile of the respondent**

The demographic profile of the respondents is given in Table 1. Out of the 200 respondents taken for the study 60.5 per cent are male remaining are female. and age group 43 per cent respondent will comes under the age group of 18-30 and 35 percent 31-40 years and remaining 22 per cent will comes in the age group above 41 years. 42 per cent have completed their studies up to graduation and 33 per cent have studies post graduation. Regarding the monthly income 29 per cent respondent earning 25000-35000 after that below-25000 26 per cent respondent are there. Majority of the respondent occupation is employees means 42 per cent and 31 per cent are running their own business

**Table : 1 Demographic Profile**

Factors	Categories	No. of Respondents	Percentage
Gender	Male	121	60.50
	Female	79	39.50
Age	18 - 30 Years	86	43.00
	31 - 40 Years	70	35.00
	Above 41 Years	44	22.00
Education	+2	50	25.00
	Graduation	84	42.00
	Post Graduation	66	33.00
Monthly Income	Below 25000	52	26.00
	25000-35000	58	29.00
	35000-45000	46	23.00
	Above 45000	44	22.00
Occupation	Business	62	31.00
	Employed	84	42.00
	Professional	44	22.00
	Others	10	05.00

Source: Field Survey

In order to analyze demographic profile of the respondents I have used chi-square test. The decision rule used to find out the significant factor is chi-square test P value  $> 0$  and  $\sigma < .05$  accordingly. The Gender, Age and Monthly income. They are rejected because their sigma value is less than 0.05 for that reason here null hypothesis has been rejected alternative hypothesis has been accepted. Education and Occupation of the respondent has been accepted because that sigma value is more than 0.05 for that reason here null hypothesis has been accepted and alternative hypothesis rejected.

**Table : 1(A) Demographic Profile**

Chi-square	P-value	Hypothesis
2.387	0.000	Ho=Rejected
2.123	0.000	Ho=Rejected
3.240	0.055	Ho=Accepted
3.123	0.812	Ho=Accepted
1.012	0.000	Ho=Rejected

Source: Field Survey

In order to find out the factors Customers Satisfaction towards Mobile-Banking Security Measures of Canara Bank 09 attributes that can influence the respondent in order to use the Mobile-banking. The respondents were then requested to express their level of opinion on the influence of those factors on a 5 point Likert-scale. The output of t-test performed to identify the significant factors Customers Satisfaction towards Mobile-Banking Security Measures in Canara Bank is shown in Table 2.

The below table shows the factors which are significant Customers Satisfaction towards Mobile Banking Security Measures. The decision rule used to find out the significant factor is t value  $> 0$  and  $\sigma < .05$ . Accordingly 02 factors, There is maximum number of incorrect password submissions, my mobile

banking site protects information about my onsite behaviour are proved significant. The remaining It is safe to use mobile banking of my Bank, Security guidelines are displayed before using Mobile banking, My Bank provide me the facility of choosing strong password, OTP (One Time Password) is always required while making Third Party payments, OTP is always required while adding payee account on my site, Pressing back space results in immediately logout from session and Idle time log out from session exists at my Bank's site are insignificant.

**Table 2, Security and Privacy satisfaction level regarding Mobile Banking  
Canara Bank**

Particulars	Mean	SD	Paired Sample T - test	P-Value	Results
It is safe to use mobile banking	3.297	.12755	1.05704	0.000	Rejected
Security guidelines are displayed before using Mobile banking	2.933	.02775	2.01241	0.001	Rejected
There is maximum number of incorrect password submissions	4.810	.16861	1.05332	0.534	Accepted
My Bank provide me the facility of choosing strong password	3.009	.08614	3.03852	0.000	Rejected
OTP (One Time Password) is always required while making Third Party payments	4.738	.02121	2.00949	0.000	Rejected
OTP is always required while adding payee account on my site	3.800	0.14539	4.04598	0.002	Rejected
Pressing back space results in immediately logout from session	4.621	1.17260	3.52440	0.001	Rejected
Idle time log out from session exists at my Bank's site	4.307	1.27060	2.56823	0.000	Rejected
My mobile banking site protects information about my onsite behaviour	2.18	1.26181	2.39902	0.571	Accepted

Source: Field Survey

In order to find out the factors Customers Satisfaction towards Mobile-Banking Security Measures of Karnataka Bank 09 attributes that can influence the respondent in order to use the Mobile-banking. The respondents were then requested to express their level of opinion on the influence of those factors on a 5 point Likert-scale. The output of t-test performed to identify the significant factors Customers Satisfaction towards Mobile-Banking Security Measures in Karnataka Bank is shown in Table 3.

The below table shows the factors which are significant Customers Satisfaction towards Mobile Banking Security Measures Karnataka Bank. The decision rule used to find out the significant factor is  $t$  value  $> 0$  and  $\sigma < .05$ . Accordingly 03 factors, It is safe to use mobile banking of my Bank, OTP (One Time Password) is always required while making Third Party payments and My mobile banking site protects information about my onsite behaviour are significant. And remaining 6 factors Security guidelines are displayed before using Mobile banking, There is maximum number of incorrect password submissions, My Bank provide me the facility of choosing strong password, OTP is always required while adding payee account on my site, Pressing back space results in immediately logout from session and Idle time log out from session exists at my Bank's site this are insignificant.

**Table 3: Security and Privacy satisfaction level regarding Mobile Banking  
Karnataka Bank Ltd.**

Particulars	Mean	SD	Paired Sample T-test	P-Value	Results
It is safe to use mobile banking of my Bank	3.761	1.4580	2.145	0.512	Accepted
Security guidelines are displayed before using Mobile banking	3.691	1.5600	1.144	0.000	Rejected
There is maximum number of incorrect password submissions	3.693	1.5090	2.365	0.001	Rejected
My Bank provide me the facility of choosing strong password	4.541	2.7760	3.412	0.000	Rejected
OTP (One Time Password) is always required while making Third Party payments	4.863	2.4560	5.147	0.732	Accepted
OTP is always required while adding payee account on my site	4.541	1.6160	4.123	0.005	Rejected
Pressing back space results in immediately logout from session	2.374	0.5500	2.331	0.000	Rejected
Idle time log out from session exists at my Bank's site	3.012	1.3960	3.145	0.001	Rejected
My mobile banking site protects information about my onsite behaviour	3.891	1.2443	2.741	0.813	Accepted

Source: Field Survey

### Findings of the Study

1. The majority of the respondents it means 60.5 per cent are male respondents only few means 39.5 female.
2. The majority of the respondent will comes under the age group of below 40 years it clear tells that above 40 years are not using much Mobile banking.
3. The educational qualification of the respondents means 42 respondents qualification is graduation.
4. Still some of the respondents are thinking mobile banking is not safe for that reason still some of the customer they are not ready to use mobile banking.

5. The security measures whatever the both public and private bank have taken they not given much information to their customer.
6. Still some of the customers are telling that the password is not so strong.

### **Suggestions of the Study**

1. Majority are male customers only using Mobile banking they have to attract the female customers also then only the number of users will increase.
2. Majority graduates only using this Mobile banking they also attract other educational background users. Especially the below 12<sup>th</sup>
3. Still both public and private they have to educate their customer regarding in order to adopt the mobile banking
4. Some of the customers are feeling the password whatever they are getting password are not strong so the bank has to give the strong password to their customer in order access the account safely.
5. While making online transaction the customers are whatever they are getting OTP is getting so bank has reduce the log time.

### **Conclusion**

At present Indian banks are investing huge amount in the infrastructure to host internet banking activities. However, adoption rate of Mobile banking services is very low in India as compared to developed countries. Various research studies showed that apart from other factors concern for securities and privacy' is most important factor influencing the adoption of internet banking. The present study also found that level of concern for security and privacy regarding use of Mobile banking services is high. In this context, the findings of the study have implications for banking industry in two ways. Firstly, the comparison of security and privacy features will help the bankers to make their online portal more secure by incorporating the security features which other banks are using. Secondly, the study will be helpful to the bankers to understand the behaviour of internet banking users and behaviour of non-internet banking users. It will help bankers to understand the security and privacy aspect of various Mobile banking services where customers have high level of concern. It will assist the bankers to retain the existing bank customer and to convert the potential users to actual Mobile banking users.

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## IMPACT OF COVID-19 PANDEMIC SYNDROMES ON ECONOMY: A STUDY WITH SPECIAL REFERENCE TO MSMEs SECTOR IN INDIA

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### **Abstract**

*Covid-19 has taken the entire world into its grip and as a result people's life and global economy have been disheveled. Covid-19 is one of the giant disasters in the year 2020. No any country is left from the trap of Covid-19. It is impacting the global economy devastatingly whose outcome is totally uncertain and unpredictable. The aim of this research paper is to study the post covid-19 effect on distribution of area wise working MSMEs Enterprises and assess the post covid-19 effect on status of employment in MSMEs Sector and also to identify the survival rate of MSMEs Sector in post Covid-19 period in India. Lastly this study focused the different measures that are taken by the Government of India in MSME sectors to achieve the dream of Self-Reliant India or Atmanirbhar Bharat etc. After studying the devastating impact and various revival strategies, we found that business practices of Indian MSMEs will be totally changed. Digital practices, innovation, accessing of finance, focus on cash flows rather than profit will be essential after this Covid -19 epidemic in India.*

**Key Words:** Covid-19, Msmes Sector, Employment Rate, Indian Economy.

### **Introduction**

Corona virus (Covid19) pandemic is one the giant disaster in India. The firstly the corona virus was detected first time in Wuhan city Hubei province of China on 31.12.19. From 31.12.2019 to 3.01.2020 total number of 44 people affected with pneumonia of unknown cause was found. China immediately intimate this event to WHO by national authority in china. After analyze the data by WHO, the phenomenon was declared a public health emergency of international concern on 30.01.2020. On 11.02.2020 WHO announced a name for the new Corona virus disease Covid-19. Corona virus disease (Covid-19) is an infectious disease caused by a newly discovered corona virus. The Covid-19 virus spread primarily through droplets discharge from nose when person cough or sneezes. Corona virus is a virus from the family of flu viruses. It is now known as the Severe Acute Respiratory Syndrome Corona virus 2 (SARS- Cov2). WHO has been assessed the outbreak day after day and concerned by the level of spread and severity and by the level of inaction and eventually WHO declare COVID-19 is a pandemic.

Currently the world is facing humanity's biggest crisis since World War II. Almost every country has been affected by the devastating Corona virus disease (COVID-19). The world is passing through a great uncertainty. Undoubtedly, the Corona virus has put the world economy at a major risk in each country. Coronavirus ravages the economic foundations of world trade. According to the WTO, the world trade is expected to fall by between 13 per cent and 32 per cent in 2020, thereby indicating the world economy is expected to face recession. Although India has managed well till date in containing the spread of the virus, the COVID-19 pandemic has already disrupted normal economic activity and life in our country. India's trade has been severely impacted. People have a sudden loss of their income, causing a major drop in demand. To rescue the economy, India has announced impressive fiscal and monetary stimulus packages. This pandemic has strong foreign and trade policy effects in the country.

Many economies may face negative per capita income growth in 2020 due to the Corona virus pandemic, according to the International Monetary Fund (IMF). In its recent forecast, the World Trade Organization (WTO) indicated a clear fall in world trade between 13 per cent and 32 per cent in 2020, perhaps the highest fall since the Great Depression of the 1930s. There is also a disclaimer: no forecast is perfect when the pandemic is at its peak and changing the contours frequently. The IMF has also slashed growth forecast for the Indian economy,

projecting a GDP growth of 1.9 per cent in 2020. In its recent World Economic Outlook, the IMF does project a rebound in the growth of the Indian economy in 2021, at a rate of 7.4 per cent in India.

Although India has managed well till date in containing the spread of the virus,<sup>3</sup> the COVID-19 pandemic has already disrupted normal economic activity and life in the country. India's trade has been severely impacted. At the moment, businesses are very vulnerable to the unfolding economic crisis. People have been facing a sudden loss in their incomes, causing a major drop in demand. To rescue the economy, India has announced a range of fiscal and monetary stimulus packages. The major aim of this stimulus is similar to the traditional Keynesian prescription of whereby income transfers to people having higher marginal propensity to spend can boost up the sagging demand in the economy.

### **Impact of Post Covid-19 on MSME Sector in India**

This paper mainly concentrates on post Covid-19 effects on MSMEs sector in India. This pandemic has shaken and deteriorates the global economy. In this article we will try to overview the probable impact of Covid19 on Indian MSME. It is too early to estimate how deeply the pandemic will affect MSME. Covid-19 has moved from a health crisis to an economic crisis. This pandemic destroyed the business cycle all over the world. Around 100 countries have closed national border. During the past month global supply chain has been collapsed. Global economy could shrink by almost 1% in 2020 due to Covid19 pandemic.

India is a developing country and position of India's Micro, Small and medium enterprises (MSME) are the largest in world after china. MSME plays a significant role to accelerate the growth of Indian economy. But the position of MSME will be very unimaginable and unpredictable after this epidemic. The state of Uttar Pradesh has the largest number of estimated MSME with share of 14.20% of total MSME's in the country. West Bengal comes as close second with a share of 14% followed by Tamil Nadu and Maharashtra at 8% economy that desperately needs immediate assistance 63 million MSME units in India.

The Indian MSME will be impacted significantly due to the outbreak of Covid19 in near future. Visualization of future existence of Indian MSME is completely impossible and uncertain at this moment. To contain Covid19 spread India has declare 21 days complete lockdown in each state which may be extend according to the situation normal business activities are being completely stopped for all type of business organization this standstill for couple of month will be a very crucial for Indian MSME. However, if the pandemic proliferates and prolonged lockdown would exacerbate economic trouble. India's growth may fall below 3% in financial year 2021 under this scenario (*KPMG report 2020*).

In this time business who deals with packaged food can grab the opportunity by making home delivery and create a healthy relationship with society. SME that deals with export has slowdown of export business. Service sector is also slowing down since more people opting social isolation like salon shop. MSME sector in India will face the problem like low liquidity or cash flow and lack of workforce since daily-wagers have gone to their villages. Lack of workforce will have to be a negative impact on production and lower production means lower supply and lower supply will create the inflation environment but government has started taking some initiative to keep the MSME segment afloat. The RBI recently introduced long term repo operation (LTRO) worth 100000 crores, as a result bank can increase lending at cheaper interest rate. Such type of initiative will give some help to MSME sector.

Those SME's which are listed in BSE SME exchange there is a possibility to decline the share price. People will hesitate to invest in SMEs stock after this epidemic as a result supply will be greater than demand which leads to decline the share value. The impact of lockdown will be very discomfort for Indian MSME because in India most of the small business transactions are done in cash and payment to the workers and laborers are also made in cash. Small businesses are not very much comfortable to adopt digital practices in its business. Due to this crisis small businesses will try to adopt digital practices in its business. The Indian government will also need to increase insolvency limit for SMEs and MSME to one crore from one lakh. Otherwise there are chances to arise the

problem of liquidity crunch and without adequate liquidity the small business might be close down in coming future.

### Identification and selection of relevant studies

Literature for this review was identified by searching the online databases and published in newspapers. Amiaytha (2020) he conducted a study on how Covid-19 will impact on Indian economy in different sectors specially Indian MSME sectors which are life blood of Indian economy. Misthira(2020) he tries to illuminate what will be the revival strategies of Indian MSME after the end of epidemic period and expected changes in business operation. Pujar(2020) he opined that MSME provide good opportunities for both self-employment and wage employment, due to the Covid-19 more than 1.7 million peoples are loosed their jobs therefore currently unemployment problem has been increased. Therefore this research summarizes scientific foundations, identifies literature gaps, and suggests some evidence for future research directions on COVID-19 which will provide information for research community etc.

### Research Methodology

The data required for the present Research is considered as journey from unknown to the known. The present study is purely based on data gathered from secondary sources has been collected from ministry of industry and commerce. The required secondary data constitutes the main source of information, suitable for the purpose of the present study. In this study an attempt has been made to research domains, publishing dates, journal language, author's affiliations, as well as methodological characteristics were analyzed respectively. All findings and statements regarding the outbreak in this review are based on published information as listed in the references in the study related to Covid-19. For the purposes of analysis of data we apply for descriptive statistics and paired sample-T Test etc.

### Objectives of the Study

**This paper is aimed to discuss the following objectives:**

1. To highlight the theoretical background of Covid-19 paramedic in India;
2. To analyze the post covid-19 effect of working of MSMEs Enterprises;
3. To assess the post covid-19 effect on status of employment in MSMEs Sector; and
4. To identify the survival rate of MSMEs Sector in post Covid-19 period in India.

### Analysis and Interpretation

#### 1. Post covid-19 effect on distribution of area wise working MSMEs Enterprises:

Table No.1 depicts that post Covid-19 effect on distribution of area wise of working MSMEs enterprises. According to the data shows that pre Covid-19 period 33.42 lakh enterprises in working condition and post covid-19 period 20.37 enterprises run successfully. When covid-19 pandemic has been spread out, the Indian government has been declared for lockdown all over the country. Therefore in this period the production has been stopped many micro and small enterprises are closed down in the country.

**Table No.1, Distribution of area wise working MSMEs Enterprises**

Sectors	Pre Covid-19 Period (Till 2020 Feb)			Working Enterprises
	Rural	Semi-Urban	Urban	
Micro	0.19	5.82	7.89	13.90 (41.50)
Small	1.11	5.02	6.15	12.28 (36.74)
Medium	0.05	3.22	4.01	7.24 (21.76)
<b>Total (Working Enterprises)</b>	<b>1.31</b>	<b>14.06</b>	<b>18.05</b>	<b>33.42 (100.00)</b>
<b>Post Covid-19 Period (After March to June 2020)</b>				
<b>Sectors</b>	<b>Rural</b>	<b>Semi-Urban</b>	<b>Urban</b>	<b>Total</b>

Micro	0.12	3.11	6.01	9.24(45.36)
Small	0.78	2.22	4.23	7.23(35.50)
Medium	0.01	1.75	2.14	3.9(19.14)
<b>Total (Working Enterprises)</b>	<b>0.91</b>	<b>5.33</b>	<b>12.38</b>	<b>20.37(100.00)</b>

Sources: Annual Reports of industry and commerce.

Table No.1(a) descriptive statistics shows post Covid-19 MSMEs enterprises has been lesser than preCovid-19 period, The highest mean and standard deviation were found in pre and post Covid-19 period category around 6.016 & 3.147 and 1.943 & 0.937 respectively.

**Table No.1 (a), Descriptive statistics**

Descriptive statistics		N	Micro	Small	Medium
Mean	<i>Pre Covid-19</i>	2	.450	4.689	6.016
	<i>Post Covid-19</i>	2	.303	2.361	3.147
Standard Deviation	<i>Pre Covid-19</i>	2	.575	1.33	1.943
	<i>Post Covid-19</i>	2	.416	.690	0.937
Variance	<i>Pre Covid-19</i>	2	.332	1.773	3.77
	<i>Post Covid-19</i>	2	.173	.447	.375
Range	<i>Pre Covid-19</i>	2	1.06	2.60	3.88
	<i>Post Covid-19</i>	2	.77	1.36	2.87

Sources: Significant Level 0.05

To calculate, paired sample T-test, for the data of post Covid-19 effect on distribution of area wise working MSMEs Enterprises. Pair-I the P value (Sig 2-tailed), 0.00 which is less than the Alpha value of 0.05, it was found to be significant. Further Pair-II respondents the P value (Sig 2-tailed) 0.214 which is more than the Alpha value of 0.05, it was found to be insignificant.

**Table No.1 (b), Paired Sample T-Test**

	Pairs	N	Correlation	Sig
<i>Pair -1</i>	Pre&PostCovid-19	3	.015	.000
<i>Pair -2</i>	Post &PreCovid-19	3	.147	.214

Sources: Significant Level 0.05.

## 2. Post covid-19 effect on status of employment in MSMEs Sector

Table No.2 indicates that post covid-19 effect on status of employment in MSMEs Sector. According to the data shows pre Covid-19 period. 164.33 lakh peoples are working and post Covid-19 period 89.39 peoples employed. When Covid-19 pandemic has been spread out, the Indian government has been declared for lockdown in the country majority of the peoples are lost their jobs or employment because majority of the MSMEs enterprises are become loss in post covid-19 period. Therefore the post covid -19 period employment trend has been declined compared to the pre covid-19 period in India.

**Table No.2, Post covid-19 effect on status of employment in MSMEs Sector**

Sectors	Pre Covid-19 Period (Till 2020 Feb)			Total Employees
	Rural (In lakh)	Semi-Urban (In lakh)	Urban (In lakh)	
Micro	5.21	15.77	31.88	52.86 (32.16)
Small	4.23	18.21	27.45	49.89 (30.35)
Medium	6.27	21.44	33.87	61.58 (37.49)
<b>Total</b>	<b>15.71</b>	<b>55.42</b>	<b>93.02</b>	<b>164.33 (100.00)</b>

	Post Covid-19 Period (After March to June 2020)			
Sectors	Rural (In lakh)	Semi-Urban (In lakh)	Urban (In lakh)	Total
Micro	3.21	9.88	20.11	33.20 (37.14)
Small	2.47	11.21	16.42	30.10 (33.67)
Medium	1.08	14.12	10.89	26.09 (29.19)
<b>Total</b>	<b>6.76</b>	<b>35.21</b>	<b>47.42</b>	<b>89.39 (100.00)</b>

Sources: Annual Reports of industry and commerce.

Table No.2(a) descriptive statistics shows post Covid-19 MSMEs enterprises has been lesser than pre Covid-19 period, The highest mean and standard deviation were found in pre and post Covid-19 period category around 31.806 & 15.066 and 4.641 & 3.286 respectively.

Table No.2 (a), Descriptive statistics

Descriptive statistics		N	Micro	Small	Medium
Mean	<i>Pre Covid-19</i>	2	5.251	18.736	31.806
	<i>Post Covid-19</i>	2	2.23	11.47	15.066
Standard Deviation	<i>Pre Covid-19</i>	2	1.081	2.868	4.641
	<i>Post Covid-19</i>	2	1.020	2.044	3.286
Variance	<i>Pre Covid-19</i>	2	1.169	8.07	21.534
	<i>Post Covid-19</i>	2	1.041	4.089	10.81
Range	<i>Pre Covid-19</i>	2	2.13	5.24	9.22
	<i>Post Covid-19</i>	2	2.04	4.67	6.42

Sources: Significant Level 0.05.

To calculate, paired sample T-test, for the data of Post covid-19 effect on status of employment in MSMEs Sector. Pair-I the P value (Sig 2-tailed), 0.01 which is less than the Alpha value of 0.05, it was found to be significant. Further Pair-II respondents the P value (Sig 2-tailed) 0.064 which is more than the Alpha value of 0.05, it was found to be insignificant

Table No.2 (b), Paired Sample T-Test

	Pairs	N	Correlation	Sig
<i>Pair -1</i>	Pre&PostCovid-19	3	.0179	.001
<i>Pair -2</i>	Post &Pre Covid-19	3	.213	.064

Sources: Significant Level 0.05.

### 3. Survival rate of MSMEs Sector on Post Covid-19 Period

Table No.3 represents that survival rate of MSMEs Sector in post Covid-19 period. According to the data shows pre Covid-19 period 95.44% survival rate was high compare to the post covid-19 period i.e 58.21% respectively. In the lockdown period many micro, small and medium enterprises has been closed down due to incurring more loss and financial burden .Therefore the survival rate of MSMEs enterprises is very less in post covid-19 period compared to the pre covid-19 period in India.

**Table No.3, Survival rate of MSMEs Sector**

Departments	MSMEs Survival Rate	
	Pre Covid-19 Period Till 2020 Feb	Post Covid-19 Period (After March to June 2020)
Agri-business and food processing	82.00%	60.11%
Animation Visual and Comics	90.00%	50.01%
Bio Technology	93.44%	77.01%
Drugs and pharmaceuticals	95.21%	85.01%
Electronic and Manufacturing Industries	87.23%	53.11%
Energy and power industries	78.23%	45.02%
Engineering and Machine Tools	89.01%	37.88%
Information Technology	95.21%	76.81%
Infrastructure and Construction	98.11%	45.81%
Textile and Appeals	99.09%	57.32%
Aerospace	83.47%	49.21%
Iron and Steel Industries	88.98%	60.17%
<b>Total</b>	<b>95.44%</b>	<b>58.21%</b>

**Sources: Annual Reports of industry and commerce.**

Table No.3(a) descriptive statistics shows survival rate of MSMEs sector on post Covid-19 period. The highest mean and standard deviation were found in pre Covid-19 period category around 89.12 and 14.58 respectively.

**Table No.3 (a), Descriptive statistics**

Descriptive statistics	N	Pre Covid-19	Post Covid-19
Mean	11	89.12	58.99
Standard Deviation	11	14.58	6.532
Variance	11	42.67	21.22
Range	11	47.13	20.86

**Sources: Significant Level 0.05.**

To calculate, paired sample T-test, for the data of survival rate of MSMEs Sector in post Covid-19 period. Pair-I the P value (Sig 2-tailed), 0.089 which is more than the Alpha value of 0.05, it was found to be insignificant. Further Pair-II respondents the P value (Sig 2-tailed) 0.003 which is less than the Alpha value of 0.05, it was found to be significant.

**Table No.3 (b), Paired Sample T-Test**

	Pairs	N	Correlation	Sig
<b>Pair -1</b>	Pre&PostCovid-19	3	.044	.089
<b>Pair -2</b>	Pre &PostCovid-19	3	.241	.003

**Sources: Significant Level 0.05.**

#### **Remedial Measures for Boost the MSMEs Sector during post Covid-19 pandemic:**

1. MSMEs should given more emphasis on innovation. Of course innovation in MSMEs business is amazed but innovation will be indispensable for MSMEs after this epidemic, other they cannot exist.
2. Cross train staff practice will be helpful to some extent in the business premises, so that they will be able to perform variety of roles in business.
3. Giving more emphasis on working capital management. Quick collection from receivable will be helpful to meet wage and salary expenses.



4. Government of India announces 20 lakh crore economic packages on 12.05.2020. It is around 10% of country GDP which will help India to become Self Reliant and boost Make in India initiative. It's time to "Be Vocal for the Local". There will be five pillars of Self Reliant India.

### Conclusion

Impact of the Covid-19 pandemic is being more and more dangerous and visualization of its impact will be really shocking in coming future. Every sector is being affected due to the pandemic whether country will tolerate the consequence of the Covid-19 pandemic in near future. How much it will take time to come back in the track of growth is unanswered. It has already suffered from unemployment and this will be further extended from every incident of life we learn something new it may be positive or negative or both. India is too much dependent on other countries for importing goods, how India has tackled this situation by home sourcing arrangement instead of import from other country. This will improve medium and large scale industries situation to some extent. Work from home concept is going to being new culture of digital practice will be increase productivity of the industries in India.

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## EVALUATION OF STOCK MARKET VOLATILITY IN INDIAN COMPANIES

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### Abstract

The Stock market is fluctuated and it is a very riskier to the investors. The study aims at investigating Volatility of the stock market. This study contributes to gain knowledge about market variation of the stock price. The study enhances the returns to the investors with effective investment plans. The RSI of the study clearly shows the exact volatility of the market and risk and return of the study shows the risk and return level of the share prices. Beta is the market risk and Alpha helps the investors to reduce their risk, where as characteristic line shows the investor's perception towards the particular stock. The study used both financial and statistical tools to investigate the selected stock performance. The study found that majority of stock results selling signal and it would be more beneficial when decision were made at right time & right option.

**Keywords:** RSI, Risk & Return, Volatility, Beta, Alpha, Characteristics.

### Introduction

Volatility measures the risk of a security. It is used in option pricing formula to gauge the fluctuation in the return of the underlying assets. Volatility indicates the pricing behaviour of the securities and helps to estimates the fluctuations that may happen in a short period of time.

It is the rate at which the price of a security increases or decreases for a given set of returns. Volatility is measured by calculating the standard deviation of the annualized returns over a given period of time. It shows the range the price of securities. It is used in option pricing formula to gauge the fluctuation in the return of the underlying assets. Volatility indicates the pricing behaviour of the security and it helps to estimates the fluctuations in a short period of time. If the price of a security fluctuated rapidly in a short time span, it is termed to have high volatility. If prices of a security fluctuate slowly in a longer time span, it is termed to have low volatility.

The trader in stock exchanges affects a vital role as pointers. Secondary markets are an exchange place for all kinds of listed securities. It is open to huge volatility, price variations and they are always determined at any period. Stock market brokers are the mediators, who purchase and sell securities for assured orders on behalf of characters and organizations. Volatility measures the risk of a security and it indicates the pricing behaviour of the security. The higher volatility is the riskier to the security.

### Literature Review

Daniel Andrei and Michael Hasler(August 2013) the variations of the assets prices which helps to determine the market value of firms. Kiran Mehta and Renuka Sharma (2011) Indian Stock Market has faced many problem in the market cycle. When the recent crisis happened in the world stock market caused vagarious change in the stock markets, but Indian stock market makes a noise and it will be emerged after the crisis. Halil Kiymaz and Hakan Berument(2003) volatility of stock market behaviour in terms of various statistical and financial techniques. Juri Mercucci (2005) considered the volatility of stock market behaviour in terms of day wise to month wise. Dr. Satish verma and Nayia Mahajan (Dec 2012): This study aims is to identify the crisis in the American stock market to understand the impact of stock volatility on Indian stock market, In this study was used the conventional approach to measure the volatility of the Indian stock market. Dhira Dwijayanti Yogaswari, Anggoro Budi Nugroho<sup>1</sup> and Novika Candra Astuti, (2012) examine the macro economic variables of the stock market price movement. T. Qiu, L. Guo, G. Chen (2008): This study is based on the foreign stock market and impact on the stock market in china. In recent years studies are more concentrated on financial aspects in the market.

Rosylin Mohd. Yusof and M.Shabri Abd.Majid(2007) study the conditional effect on the conventional and Islamic stock market in Malaysia and considered volatility of the stock market in the selected period. Thomas Dimpfl And Stephan Jank(2011) focused on the dynamics of stock market volatility and retail investors trading. There is a high volatility and when high volatility. When the traders are searches more it will be use for their predictive analysis of the market. Roel Beetsma and Massimo Giuliodori (2011): In this study there is a uncertainty in the stock market volatility, this study is based on the US data. For this study the main reason is the macroeconomic uncertainty, stock market volatility. Heejoon Han, Ali M. Kutan and Doojin Ryu (2015): This study is focused on the impact of stock market volatility on Korea country. Metthewn Hood and Farooq Malik (2013) know the gold and precious metals and ascertain the reasons for the volatility of the stock price in the market. Wayne Y. Lee, Christine X. Jiang and Daniel C. Indro (2001): In this study suggested that the investors have sentiment on the price of the stock and the investors are sentimentally attracted or attached to some of the stocks in the market and they always buys the share, from that whatever the profit and losses will happens that investors will feel happy and comfortable for that.

### Objectives of the Study

- To investigate and evaluate the market volatility & financial performance in stock market.

### Research Methodology

The study is descriptive in nature. The data gathered from secondary source and sample is determine as follows

### Sampling Size

10 Companies from 5 different sectors

1. Banking Sectors: INDUS IND, SBIIN
2. IT Sectors: INFOSYS, TCS
3. FMCG Sectors: BRITANNIA, JUBLFOOD
4. Steel: JSW STEEL, TATA STEEL
5. Pharmacy AURO PHARMA, SUN PHARMA

**Hypothesis:** Hypothesis is a testable and shows the statistical relationship between two variable sets, and it is compared as an alternative or null hypothesis

- $H_0$ : There is no significance relationship between risk and return

### Tools for the study

#### Statistical Tools

RSI: for using this tool to analyze how well the securities are performed.

$$RSI = 100 \frac{[100]}{1 + RS}$$

CAPM: By using this giving ranks to the securities how it will be performed and which is the best security to the investors.

$$R_p = R_f + \beta(R_m - R_f)$$

Correlation: By using this proven the hypothesis of the study.

$$r = \frac{n\sum xy - \sum x \sum y}{\sqrt{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}}$$

### Data Analysis & Interpretation

In the RSI below the 30 is buying signal and the above 70 shows the selling signals to the investors.

**Table 1,RSI**

High (Selling)	Low (Buying)
INDUSIND BANK	SUNPHARMA
SBIIN BANK	JSW STEELS
BRITTANIA	TATA STEELS
JUBL FOOD	
INFOSYS	
TCS	
AUOPHARMA	

**Table 2,CAPM Approach**

COMPANY	Rf	B	Rm	CAPM	Rank
INDUS IND	6.88	1.4	11.2	12.93	3
SBIIN	6.88	1.51	11.2	13.40	2
BRITTANIA	6.88	0.74	11.2	10.08	6
JUBL FOOD	6.88	1.72	11.2	14.31	1
INFOSYS	6.88	0.42	11.2	8.69	10
TCS	6.88	1.03	11.2	11.33	4
AURO PHARMA	6.88	0.61	11.2	9.52	9
SUN PHARMA	6.88	0.64	11.2	9.64	8
JSW STEELS	6.88	0.84	11.2	10.51	5
TATA STEELS	6.88	0.66	11.2	9.73	7

The return of NIFTY 50 is 33.59 so the

$$R_m = \frac{\text{Total of NIFTY50 Return}}{n} = \frac{33.59}{3} = 11.20$$

The above table 2 shows the calculation of CAPM and its resulted the expected return of selected companies considering the study period of 3 years. It shows that the JUBLFOOD ranks 1<sup>st</sup> and it's a better option to the investors for maximize the returns. The INFOSYS Company Shows the 10<sup>th</sup> rank and it's a riskier to the investors to invest the money in the company. Suppose, if they are in to risk-averse investor's category, then they can do the investment

**Table 3,Correlation**

Companies	Ri Mean	$\sigma_i$	r	Sig(2tailed)	N
INDUSIND	1.83	7.00	0.699**	0.00	36
SBIIN	1.36	8.28	0.638**	0.00	36
BRITTANIA	2.14	6.11	0.427**	0.09	36
JUBLFOOD	2.57	11.67	0.516**	0.01	36
INFOSYS	0.53	5.90	0.251	0.14	36
TCS	1.36	6.99	0.515**	0.01	36
AUOPHARMA	6.24	8.53	0.252	0.13	36
SUNPHARMA	-1.23	8.18	0.273	0.11	36
JSWSTEELS	2.11	7.83	0.376**	0.02	36
TATASTEELS	1.22	6.88	0.336**	0.04	36

All companies are positively correlated with resulted in risk and return of selected securities. Out of 10 companies 6 companies are resulted significant relationship and the rest of the 4 companies are insignificant relationship.

Out of 10 companies 6 companies are resulted statistically significant at 5% significance level. Henceforth, H0 is rejected. It states that there is no relationship between risk and return of selected companies.

## Results & Discussion

- INDUSIND, SBIIN, BRITTANIA, JUBLFOOD, INFOSYS, TCS and AUROPHARMA were shows the high selling signals.
- SUNPHARMA, JSWSTEELS and TATASTEELS have shows the high buying signal.
- The study found that CAPM cost of equity of JUBLFOOD Co., Ltd, has got 14.31% and secured 1<sup>st</sup> rank among selected 10 companies and subsequently SBIIN, INDUS IND, TCS, JSW STEELS, BRITTANIA, TATA STEELS, SUN PHARMA, AURO PHARMA, INFOSYS. It shows that INFOSYS Company is riskier to invest the money due to high market volatility.
- It is also found that there is 5% significance level between risk and return in INDUS IND, SBIIN, BRITTANIA, JUBLFOOD, TCS, JSW STEELS, TATA STEELS
- There is a 1% significance relationship between risk and return in INFOSYS, AURO PHARMA, SUN PHARMA.
- It is suggest all the investors to invest the money in 1<sup>st</sup> five ranked companies stocks. They are JUBLFOOD, SBIIN, INDUSIND, TCS, JSWSTEELS. These companies generate maximum equity yield compare to remaining companies.
- The RSI shows above 70% it means the selling signal to the investor and when the RSI shows the below 30% it means that the buying signal to the investors
- It is recommended investors to invest the money in the selected securities. Except INFOSYS, SUNPHARMA and AUROPHARMA interns of risk and return factors, because in these 3 companies risk and return relationship or significance level is more than 0.05 levels. Hence, it is advice investors not invest money in these 3 securities.

## Conclusion

This study mainly focuses on analyzing the volatility of NSE for considering the study period of three years; this study found that the investors are aware to invest in the better stock. This study helps the investors to invest in the better stock and also shows the exact volatility of the selected security. From this study the investors are more beneficiaries to know the market condition in the particular time period when the investors are know the market conditions they are aware to invest in securities. Finally this study concluded that there is a more beneficiary to the investors' perceptions and this study gives more knowledge to the investors to invest in the better stocks and investors will get back their investment from their investing activity.

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## FINANCIAL PERFORMANCE ANALYSIS OF LISTED AUTOMOBILE COMPANIES IN NSE DURING PANDEMIC COVID-19

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### **Abstract**

*Automobile companies faced many challenges in Covid-19 pandemic facing financial and non-financial difficulties. The Study mainly focuses on analysing the financial soundness of selected automobile companies which are listed in NSE during pandemic of Covid-19. The analysis confined to 8 major automobile companies listed in NSE. This research paper is using the both financial and statistical tools like ratio analysis, descriptive statistics and t-test to ascertain the impact of pandemic on automobile sectors. The study resulted with there is a significant impact on the financial performance of automobile industry listed in NSE during Covid-19 pandemic.*

**Keywords:** *Financial Performance, T-test, NSE, Automobile Sector.*

### **1. Introduction**

Automobile industry is a one of major player in Indian economy. Indian auto industry is one of the largest in the world annual production. In pandemic Covid-19 it faces lot of challenges but also helps economy by creating highly sensitive jobs and discounts the price for products it benefits dealers and consumers. Auto sector has been under pressure due to a mix of demand and supply factors. In recent time performing very impressive reforms, schemes, visions by Government and it is targeting a five trillion economy 2024.

### **2. Background of the Study**

India up to 53% of organization has determined a specific measure of effect as shutdowns caused due to Covid-19 on operations. Globally stock market is in a bear grip on concerns over the novel corona virus major sectors like automobile industry, chemical industry, shipping, pharma, textiles industries and others. Financial stability is important for any industry because it is a path to move forward confidently possible in future. But some global pandemic not only impact the individual country or industry it collapses overall stability and break the supply chain and paths entirely.

### **3. Problem Statement**

Problem for the auto sector had started long before Covid-19 even reared its head since mid-2018. Indian auto sector has been under stress because of low demand for these many reasons like high fuel prices, NBFC liquidity crunch and low consumer confidence. Auto sector has been under pressure due to a mix of demand and supply factors. Automobile sector of India has witness heavy losses owing to the outbreak of corona virus and the resultant lockdown.

### **4. Review of Literature**

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## 5.Objectives of the Study

- To know the impact of Covid-19 on automobile sector listed in NSE.
- To evaluate the financial performance of automobile industry in pandemic of Covid19.

## 6.Research Methodology

### 6.1 Research method: -

- **Descriptive Statistics:** - This research method is used to find characteristics of automobile industry listed in NSE India pandemic of Covid-19.

**Table 6.1,Selected Listed Companies as a Sample**

Company Name	Company Name
1. Hindustan Motors.	5. Tata Motors.
2. Ashok Leyland.	6. M&M.
3. TVS Motor Co.	7.Hero Motor Corp.
4. Eicher Motors.	8.Bajaj Auto.

### 6.2 Source of data

- **Secondary data:** - The secondary data for analysis collected from journals, Publication materials and websites.

### 6.3 Hypothesis

$H_{01}$  = There no impact on automobile industry listed in NSE by pandemic of Covid-19.

$H_{02}$  = There is no changes in financial performance of automobile industry in pandemic of Covid-19.

### 6.4 Tools for the study

- T-test:- It is used to know the impact of Covid-19 pandemic on automobile industry and analyse the change in financial performance.

### 7. Analysis and Interpretation

The study base on analysis of financial performance of automobile industry listed in NSE pandemic of Covid-19. The analysis use t-test and descriptive statistics to know impact of covid-19 on financial performance of automobile industry.

**Table 7.1,One-Sample Statistics-Mean Value (Company-wise)**

Ratios	Hind	AsLey	TVS	Eicher	Tata	M&M	Hero	Bajaj
EPS	0.33	3.81	13.03	627.23	-5.10	34.37	170.81	153.66
OP	0.03	77.17	331.08	3013.12	151.15	534.44	1542.18	931.96
NP	0.33	3.82	13.03	626.84	-4.94	40.69	170.79	153.61
ROE	-10.56	17.11	19.47	46.63	2.91	14.77	34.89	28.63
ROA	18.75	6.80	7.80	25.18	-2.86	7.81	19.40	17.51
DER	-0.03	0.22	0.40	0.01	0.85	0.09	0.00	0.00
ATOR	1.40	141.94	194.70	120.36	86.80	103.97	174.00	105.89
CR	0.14	0.92	0.74	1.71	0.59	1.27	1.94	2.14
QR	0.12	0.64	0.45	1.47	0.36	1.00	1.72	1.91
EY	0.03	0.04	0.06	0.03	-0.06	0.05	0.07	0.06

Source: - Author's Calculation-SPSS Database

Table 7.1 shows mean value of financial performance in company-wise. There are 8 companies listed in NSE and date collected for the period of 5 years from 2016-2020. In the table highest mean value in EPS that is Eicher Company and lowest is Tata Motors that is -5.10. Compare to other company Tata motors have negative mean value in EPS. Net profit negative in Tata motors that is -4.94 and all other company have positive net profit. Highest net profit reports in Hero motors crop is 170.79. Except Hindustan motors all are have positive ROE. The selected companies maintain proper debt potion to meet its obligation since in call companies have low proportionate debt.

**Table 7.2 ,One-Sample Test sig.(2 - Tail) ( Company-wise)**

Ratios	Hind	AsLey	TVS	Eicher	Tata	M&M	Hero	Bajaj
EPS	0.687	0.032	0.000	0.000	0.323	0.007	0.000	0.000
OP	0.049	0.000	0.000	0.000	0.001	0.002	0.000	0.000
NP	0.684	0.032	0.000	0.000	0.323	0.009	0.000	0.000
ROE	0.675	0.030	0.000	0.001	0.406	0.000	0.001	0.000
ROA	0.618	0.023	0.000	0.001	0.318	0.004	0.000	0.000
DER	0.251	0.036	0.001	0.033	0.001	0.000	0.000	0.178
ATOR	0.045	0.000	0.000	0.001	0.000	0.000	0.000	0.000
CR	0.011	0.000	0.000	0.025	0.000	0.000	0.000	0.002
QR	0.020	0.000	0.000	0.036	0.000	0.000	0.000	0.002

EY	0.808	0.024	0.134	0.005	0.378	0.000	0.005	0.003
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Source: - Author's Calculation-SPSS Database

Table 7.2 shows the company-wise one-sample test for ratios. Here compare to 8 automobile companies except one company that is Hindustan Motors all other have a significant change in their financial performance because all are less than 0.05 major of ratios in table. It shows that there is a impact on financial performance of automobile companies which are listed in NSE by the reason of pandemic of Covid-19. The study also focus on ascertain the impact and it found that Hindustan motors not reported significant change in financial performance during pandemic. Two companies those are Hindustan and Tata motors that is 0.687, 0.323 respectively with low impact in EPS.

**Table 7.3, Descriptive Statistics & One-Sample Test (INDUSTRY)**

Ratios	Mean	SD	SE	t	df	Sig.(2 Tail)
EPS	124.77	206.52	32.65	3.82	39	0.000
OP	822.64	988.98	156.37	5.26	39	0.000
NP	125.52	206.08	32.58	3.85	39	0.000
ROE	19.23	24.78	3.92	4.91	39	0.000
ROA	12.55	26.59	4.20	2.98	39	0.005
DER	0.19	0.30	0.05	4.09	39	0.000
ATOR	116.13	58.92	9.32	12.47	39	0.000
CR	1.18	0.78	0.12	9.55	39	0.000
QR	0.96	0.75	0.12	8.07	39	0.000
EY	0.03	0.10	0.02	2.11	39	0.041

Source: - Author's Calculation-SPSS Database

Table 7.3 shows descriptive statistics and one-sample test of automobile industry based on samples. Overall table focus on financial performance and impact of Covid-19 pandemic automobile industry listed in NSE. The study proven that, there is a significant impact of pandemic on financial performance of selected automobile companies. Highest mean value of operating profit is 822.64 and lowest mean value is 0.03 that is yield. Overall mean value of ratio resulted positive values. Standard deviation is reports positive values and high change is operating profit found 988.98 and low changes in yield. The study proven that there is a Impact of pandemic on financial performance in automobile industry at the significant level is 0.05. It shows that there is significant changes in financial performance of automobile industry it is positive value.

## 8. Results and discussion

- Company wise mean values reported highest EPS is 627.23 and lowest is -5.10 in Eicher and Tata motors respectively.
- Overall selected companies maintaining proper debt proportion that less than equity shares those mean value is less than 0.1.
- Highest mean value in net profit is 626.84 Eicher and lowest is Tata motors -4.94.
- Out of 8 companies except Hindustan motors all other companies have significant change in their financial performance.
- The study proven that, There is a impact of Covid-19 pandemic on financial performance of automobile industry company wise.
- Highest mean value in operating profit that is 822.64 based on Industry and lowest mean value is 0.03 that is yield.
- Deviation is 988.98 in operating profit and lowest is 0.10 in yield.

- The study reports there is a significant impact on financial performance in automobile sector during Covid-19 pandemic.
- There is a significant change in the financial performance of automobile industry listed in NSE by Covid-19 pandemic.
- There found that financial performance of selected companies decline drastically.
- The firms need to concentrates on proper management & its innovative strategies towards survival in automobile industries.
- Government also help to overcome from financial challenge of automobile industries through reforms, plans, reconstruction and rehabilitation schemes
- Indian automobile industry is considered as largest annual production of automobile. And increasing export also helps to increase the financial performance of industries.

## 9. Conclusion

The study is based on financial performance of automobile industries listed in NSE Covid-19 pandemic. Indian automobile industry is considered as largest annual production of automobile. Indian economy also focuses on automobile industry performance. For the financial performance of automobile industry analysed using t-test and mean to know the impact of Covid-19 pandemic on financial performance. The study resulted with there is a significant impact by Covid-19 pandemic on financial performance of automobile industry. Before Covid-19 pandemic automobile industry facing lot of issue but this pandemic impact more compares to other issues. The financial performance can be improved by way of government take initiative in reforms, plans, schemes etc. And also focus on increasing exports and reducing cost of automobile industries.

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