

A Study on Quality of Work Life and Variations in Job Satisfaction of Private Sector Bank Employees in Kerala

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Abstract-- *Quality of work life is very significant in the context of commitment to work, job performance and work motivation. It is as important as personal life and the satisfaction of an employee in both aspects of life is very important. Work life naturally means the life of workers, mental and physical, in their work environment in office or company. It is a multi-dimensional concept such as different benefits, career development, opportunities for development and job security. Sixteen variables are used to measure the difference in job satisfaction. All these variables are tested the relationship with job satisfaction. The test indicates that each of the quality of work life variables on its own is a salient predictor of job satisfaction. The present study is an attempt on quality of work life in the private sector banks.*

Keywords-- *Private Sector Banks, Job Satisfaction, Performance of the Employees, Quality of Work Life.*

I. INTRODUCTION

QUALITY of work life is defined as employee satisfaction with a variety of needs through resources, activities and outcomes stemming from participation in the workplace. This definition appears to be holistic as it includes aspects of other domains, such as social, financial, and family life. Work life balance entails attaining equilibrium between professional work and other activities, so that it reduces friction between official and domestic life. The aim of this research is to find out the significant differences in the employees job satisfaction. Quality of work life is highly imperative to banking business performance as it aims at two objectives that is,

to enhance the productivity and increase the level of satisfaction.

II. REVIEW OF LITERATURE

Beauregard TA and Hayrol (2007) contended that job security affects employee's motivation and accordingly, their performance. It is a dimension of quality of work life as identified by Sirgy et.al. which is a key concept in the existing literature related to Quality of Work Life.

David A. Nadler and Edward E. Lawler (1983), suggested that, Quality of work life is concerned about the impact of work on people as well as on organization effectiveness, and the idea of participation in organizational problem solving a decision making.

M.Z. Haque,(1992) exhibited "Quality of working life and job satisfaction of industrial employees in relation to size of the organization" that quality of working life was positively correlated with job satisfaction".

Kazemi H (2001), Quality of work life found support for the importance of role of extrinsic factors (such as: salary and benefits) in determining quality of work life. Poor performance, job stress, absenteeism and turnover were the other effects for deficient monetary system.

Khera S.N. (June 2010), Quality of work life is considered as a means for enhancing productivity and decreasing inflation and a pathway to industrial democracy which minimizes employee-employer disputes. It requires employee's commitment to the organization and an environment in which this commitment can flourish. This will enhance organizational loyalty among employees, result in higher level of job satisfaction, lower employee turnover, and fewer employee complaints.

Rethinam GS, Maimunah (2008), Job security is one of the key indicators which were considered by the European Foundation for the improvement of living and working conditions in an effort to design a measurement framework for quality in work. It is the central feature of quality of work life which stands for strength of the organizations to provide permanent and stable employment regardless of the changes in work environment.

Shamir B, Salomon I (1985), The concept of quality of work life has always been used as an index of quality of human experience in a working environment. It is a comprehensive construct that includes an individual's job related well-being and the extent to which work experiences are rewarding, fulfilling and devoid of stress and other negative personal consequences.

Snell S, Bohlander G (2010), suggested that quality of work life is the opportunity for continuance in learning and skill development. Employees want to use and develop skills and knowledge to perform personally meaningful and important task. Rapidly changing technologies require that employees continuously enhance their knowledge, skills, and abilities through continuous learning

III. SIGNIFICANCE OF THE STUDY

The present study is devoted to analyze the job satisfaction of bank employees. The study had been approached from the stand point of bank employees only. The study will be helpful for better understanding about the mental frame of the bank staff which may motivate them for better productivity and help make good environmental conditions for job satisfaction. This study may help the banks and will be highly beneficial to both the employers and employees giving them valuable information on job satisfaction.

IV. STATEMENT OF THE PROBLEM

The satisfaction or dissatisfaction of the employees affects the performance of the organization. Also the job satisfaction provides positive attitudes and behaviour of the employees. There is growing evidence that current trends in employment conditions may be eroding levels of job satisfaction and directly damaging the physical and mental health of employees. The career training of employees can have important implications for their job

satisfaction, commitment and retention within the organization. Employees whose job is compatible with their job training should experience positive feelings about their work lives and should feel bonded to their organization. The results of the present study might contribute to a better understanding of the importance of quality of work life and improve the internal climate of private sector banks in Kerala.

V. OBJECTIVE OF THE STUDY

To analyze the factors which influence the quality of work life and the level of job satisfaction of private sector bank employees

VI. METHODOLOGY OF THE STUDY

For the study of Quality of work life convenient sampling method was adopted. The study is limited to a few selected private sector banks in Kerala. The researcher has chosen four private sector banks located within the Kerala. Altogether 150 were chosen from various private sector banks. The period of analyzing the primary data were the months from January 2017 to August 2017. The reference period of survey was 2017. Primary and secondary sources were the main tool used to collect data. The structured questionnaire and some personal interviews are the sources of collecting primary data.

The books and internet etc are the main source of collecting the secondary data. The collected primary data have been statistically processed, classified and tabulated by using appropriate methods.

VII. DATA ANALYSIS AND INTERPRETATION

There are a number of job factors about which employees have affective responses. Performance of the job by an employee also requires that his/her expectations and aspirations in terms of physical infrastructure, job security, reward, nature of job, etc be met out. If these are fulfilled, the employees will be satisfied with the outcome of job performance. The greater job satisfaction would generally motivate the employees in performance their tasks more efficiently. The employee's satisfaction towards quality of work life and the response is presented in the Table 1.

Table 1: Determinants of Job Satisfaction on Quality of Work Life

Factors	Strongly satisfied	Moderately satisfied	Neutral	Moderately dissatisfied	Strongly dissatisfied	Total
Job conditions	102	135	39	108	216	600
	17.00	22.50	6.50	18.00	36.00	100.00
Growth and development	132	207	39	87	135	600
	22.00	34.50	6.50	14.50	22.50	100.00
Infrastructure arrangements	126	156	51	72	195	600
	21.00	26.00	8.50	12.00	32.50	100.00
Management and Employee relationship	171	180	33	54	162	600
	28.50	30.00	5.50	9.00	27.00	100.00
Grievance procedures	171	147	33	63	186	600
	28.50	24.50	5.50	10.50	31.00	100.00
Relationship between work life and social life	174	135	42	57	192	600
	29.00	22.50	7.00	9.50	32.00	100.00
Promotion	183	132	39	81	165	600
	30.50	22.00	6.50	13.50	27.50	100.00
Pension and Gratuity	117	165	57	75	186	600
	19.50	27.50	9.50	12.50	31.00	100.00
Allowance and payment system	216	189	42	39	114	600
	36.00	31.50	7.00	6.50	19.00	100.00
Job security	117	129	24	147	183	600
	19.50	21.50	4.00	24.50	30.50	100.00
Toilet and light arrangements	129	171	72	84	144	600
	21.50	28.50	12.00	14.00	24.00	100.00
Management participation	153	156	36	78	177	600
	22.50	26.00	6.00	13.00	29.50	100.00
Recognitions	192	159	39	69	141	600
	32.00	26.50	6.50	11.50	23.50	100.00
Suggestions	138	144	69	96	153	600
	23.00	24.00	11.50	16.00	25.50	100.00
Different benefits	153	183	45	63	156	600
	25.50	30.50	7.50	10.50	26.00	100.00
Suggestions	201	207	42	24	126	600
	33.50	34.50	7.00	4.00	21.00	100.00

The above table shows the employee's job satisfaction on their work life. 36 percent of respondents are strongly dissatisfied, 18 percent respondents are moderately dissatisfied. 22.5 percent of respondents are moderately satisfied with different job conditions and 22.50 percent of the respondents are strongly dissatisfied regarding the opportunities for growth and development. 32.5 percent of respondents are strongly dissatisfied with physical infrastructure facilities.

30 percent of respondents are moderately satisfied with management and employee relationship. 31 percent of respondents are strongly dissatisfied with grievance handling procedure. 32 percent of respondents are strongly dissatisfied with relationship between work life and social life. 31 percent of respondents are strongly dissatisfied with pension and gratuity. 36 percent of respondents are strongly satisfied and 31.5 percent of respondents are moderately satisfied with allowance and payment system. 30.5 percent of respondents are strongly dissatisfied and 24.5 percent of respondents are moderately dissatisfied with job security. 21.5 percent of respondents are satisfied and 28.5 percent of respondents are moderately satisfied with toilet and light arrangements. 29.5 percent of respondents are strongly dissatisfied, 25.5 percent of respondents are strongly

satisfied and 26 percent of respondents are moderately dissatisfied with management participation. 32 percent of respondents are strongly satisfied and 26.5 percent of respondents are moderately satisfied with recognitions. 25.5 percent of respondents are strongly dissatisfied and 24 percent of respondents are strongly dissatisfied and 30.5 percent of respondents are moderately satisfied with different benefits. 33.5 percent of respondents are strongly satisfied and 34.5 percent of respondents are moderately satisfied with suggestions.

VIII. FINDINGS AND SUGGESTIONS

Based on the study, the following suggestions are offered. From the analysis it is understood that the satisfaction or dissatisfaction of the employees affects the performance of the organization. The findings of the study reveal that quality of work life has significant relationship with banking performance. The quality of work life factors included job conditions, growth and development, infrastructure development, grievance, work life and social life, promotion, job security, toilet facilities, management participation, recognitions.

IX. CONCLUSION

Banking sector plays a crucial role in the economic growth of developing countries like India. In the present era, there exists a stiff competition among banks in attracting customers. The role of employees are working in banks become more vital than ever before. This is possible only if the employees perform their duties efficiently. The result of this study makes the recommendation that banks should improve the work life balance policies offered to employees in order to increase their job satisfaction and productivity.

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An Analysis of Compound Growth Rates in Productivity of Polymer Materials in Virudhunagar District

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Abstract--- Plastic' word is generally being used as a common term for mentioning the wide range of synthetic or semi synthetic materials used and their range of applications. It is one of the most usable products now a day in this modern era. It play a very important vital role everywhere in our daily life. It's unimaginable to life a single day without plastic, that's how, plastic, has got engaged with our modern civilization. Plastics are the materials for today and also the choice for the future because they have made it possible to create a balance between modern day needs with the environment concerns. Plastics are organic. The raw materials of plastics are mainly natural products such as cellulose, coal, natural gas, salt and the crude oil. Most of the industrial plastics are being mad of petrochemical.¹

I. POLYMERS-AN INTRODUCTION

THERE are mainly two types of polymers namely, Natural Polymers and Synthetic polymers. Natural polymers are the Bio-polymers where the backbone of the polymers are made of Car-bone-carbon bonds where the heterochain polymers have other elements such as Oxygen, sulfur, Nitrogen and so on. Glycogen, Cellulose, DNA, RNA, Polypeptides and Proteins etc. are the examples of natural organic Bio polymers. Natural polymers as well as synthetic polymers can also be divided into two more categories as Organic polymers and Inorganic polymers.¹Synthetic polymers are the human made polymers which can be classified into four main categories namely, Thermoplastics, Thermosets, Elastomers and Synthetic fibers.

¹ Nicholson J.W., (2012) "The chemistry of polymer", RSC publications, Cambridge, UK.

II. HISTORY OF PLASTIC INDUSTRY IN INDIA

Ever since 1957, the Plastics Industry in India has made significant achievements as it made a modest but promising beginning by commencing production of Polystyrene. The chronology of manufacture of Indian polymers is summarised as 1957-Polystyrene, 1959-LDPE, 1961-PVC, 1968-HDPE and 1978-Polypropylene. Over the years, India has made significant progress in the industrial world with healthy economic growth. On purchase power parity basis, it is one of the top five global economics and is expected to be the third largest by the turn of this decade. Plastics are one of the fastest growing industries in India. Indian Plastics Industry is expanding at a phenomenal pace. Polymer industry group comprises establishments primarily engaged in manufacturing intermediate or final products from plastics resins, using such processes as compression molding, extrusion moulding, injection moulding, blow moulding and casting. The production process in most of these industries is such establishments may be new or recycled. The Indian plastics market is comprised of around 25,000 companies and employs 3 million people. The domestic capacity for polymer production was 5.72 million metric tonnes in 2005-06 and it has raised to 87 million tones in the year 2015-16. The State of Gujarat in Western India is the leading plastics processing hub and accounts for the largest number of plastics manufacturers, with over 5,000 plastics firms.

Polymers are classified into Polyethylene (PE), which includes HDPE, LLDPE and LDPE (High Density PE, Linear Low density PE and Low Density PE), PP(poly propelyene), PVC (Polyvinyl Chloride) and PS (Polystyrene). The Union Budget, 2015 increased the duty on imports of polymer items to 15%, this lead to a rise in stock prices of plastic item producing companies like Supreme Industries, Astral Polytec, Mayur Uniquoter in the months after January. However, China is an increasingly thriving market for

Indian plastic goods and processed raw material. Hence the nosedive of Chinese stock market from 12th June 2015 had adverse effects on the plastic industry, which witnessed plunging stock prices.²

Packaging sector is one of the major consumers of plastics. Apart from being used as a substitute for traditional materials, plastic packaging is being increasingly used in healthcare and personal care products, and packaged foods and beverages markets. Advancements in packaging material science and mounting demand for product protection and stability are further driving demand for plastic packaging. Bioplastic demand is on the rise and is expected to grow, owing to novel applications in the packaging industry, primarily for food and beverages. Emerging nations with underdeveloped or no recycling facilities are expected to benefit considerably from bioplastics products and packaging.

III. PRODUCTION OF MAJOR POLYMER MATERIALS IN INDIA FROM 2006-07 TO 2016- 2017

Table 1.1: Production of HDPE at National Level from 2006-07 to 2016-17

Year	Production in Million tones	Percentage in Total production	Increase/ Decrease in production	% Increase /Decrease
2006-07	8.29	6.90%	--	--
2007-08	8.80	7.33%	0.51	6.15%
2008-09	9.60	7.99%	0.80	9.09%
2009-10	10.15	8.45%	0.55	5.73%
2010-11	12.29	10.23%	0.21	21.08%
2011-12	12.00	9.99%	-0.29	-2.36%
2012-13	10.25	8.53%	-1.75	-14.58%
2013-14	11.95	9.95%	1.70	16.59%
2014-15	11.55	9.62%	-0.40	-3.35%
2015-16	12.08	10.06%	0.53	4.59%
2016-17	13.15	10.95%	1.07	8.86%
Sum	120.11			
Mean	10.91			
Mini	8.29			
Maximum	13.15			
Std Dev	1.58			
CGR	4.71%			

From the Table 1.1 it is clear that the production at national level of HDPE for the year 2006-07 the production was at the minimum of 8.29 million tones, and for the year 2016-17, at the maximum of 13.15 million tones. Mean production for the material is 10.91 million tones. The compound growth rate for the HDPE is 4.71 percent.

² The Editor (2010), "Technology in Plastics", The Madurai times, December.

Production of LLDPE from 2006-07 to 2016-17

The following shows the production of LLDPE at national level from 2006-07 to 2016-17.

Table 1.2

Year	Production in '000 tonnes	% to Total Production	Production Increase/ Decrease	% Increase/ Decrease
2006-07	1.72	6.06%	--	-
2007-08	1.90	6.70%	0.18	10%
2008-09	1.87	6.58%	-0.03	-1.58%
2009-10	1.96	6.90%	0.09	5%
2010-11	1.89	6.65%	-0.07	-3.57%
2011-12	1.98	6.97%	0.09	5%
2012-13	2.03	7.15%	0.05	2.53%
2013-14	3.08	10.85%	1.05	52%
2014-15	3.91	13.77%	0.83	26.95%
2015-16	3.98	14.03%	0.7	2%
2016-17	4.08	14.37%	0.1	2.51%
Sum	28.4			
Mean	2.58			
Minimum	1.72			
Maximum	4.08			
Standard. Dev.	0.972			
CGR	9.13%			

Production of PP at National Level from 2006-07 to 2016-17

The following Table 1.3 shows the production of PP at national level from 2006-07 to 2016-17.

Table 1.3: Production of PP at National Level from 2006-07 to 2016-17

Year	Production in million tonnes	Production Increase/ Decrease	Percentage in total production	Percentage Increase / Decrease
2006-07	8.55	--	6.33%	-
2007-08	8.79	0.24	6.50%	3%
2008-09	10.2	1.41	7.55%	16%
2009-10	10.95	0.75	8.10%	7%
2010-11	12.75	1.8	9.44%	16%
2011-12	12.55	-0.2	9.29%	-2%
2012-13	12.9	0.35	9.55%	3%
2013-14	13.55	0.65	10.03%	5%
2014-15	14.5	0.95	10.73%	7%
2015-16	14.89	0.39	11.02%	3%
2016-17	15.5	0.61	11.47%	4%
Sum	135.13			
Mean	12.28454545			
Minimum	8.55			
	15.5			
Standard. Dev.	2.378824767			
CGR	5.70%			

Production of PVC at National Level from 2006-07 to 2016-17

The following Table 1.4 shows the production of PVC at national level from 2006-07 to 2016-17.

Table 1.4: Production of PVC at National Level from 2006-07 to 2016-17

Year	Production in '000 tonnes	Percentage to Total Production	Production Increase/Decrease	% Increase/Decrease
2006-07	0.78	5.85%	--	--
2007-08	0.85	6.37%	0.07	8.97%
2008-09	0.79	5.92%	-0.06	-7.06%
2009-10	0.10	7.50%	0.21	26.58%
2010-11	0.19	8.92%	0.19	19.00%
2011-12	0.16	8.70%	-0.03	-2.52%
2012-13	1.35	10.12%	0.19	16.38%
2013-14	1.3	9.75%	-0.05	-3.70%
2014-15	1.43	10.72%	0.13	10.00%
2015-16	1.69	12.67%	0.26	18.18%
2016-17	1.8	13.49%	0.11	6.51%
Sum	13.34			
Mean	1.21			
Minimum	0.78			
Maximum	1.8			
Standard. Dev.	0.35			
CGR	8.39%			

IV. PRODUCTION OF POLYMER MATERIALS IN VIRUDHUNAGAR DISTRICT

As per records of District Industrial Centre, there are 268 polymer units surviving successfully in and around Virudhunagar district. These 268 units are registered and got assistance under District Industrial Centre. There is always a good prospect for selling of polymer products in the market area all around the nation, especially the study area having very good demand and due significance for polymer products in packaging sector and retailing as a whole. So there are many reprocessing and polymers units.

In spite of starting many polymer units and running it successfully, there is only legible improvements and employment opportunities in the study area. The marketing area is expanded and more demand for the polymer product like textile plastic cones, OE Machine cones, bush and varsar increased year by years. These polymer units also manufacturing textural bags, can bags, plastic sheets, laminations, Linear bags and sutli rods. The main reason for the development of polymer units is the requirement of the packaging materials by the textile Industries. The textile Industries shifted their demand from jute rods to poly packaging trine called sutli is available at lowest price when compared to jute products and also in various colours and ranges. The cost of the raw materials and its processing charges are normally included in the price of the final product. In the study area, the polymer units are producing mainly five types of polymer namely LDPE, LLDPE, HDPE, PP and PVC.

The researcher has made an attempt to analyse the growth of production of the five types namely LDPE, LLDPE, HDPE,

PP and PVC of polymers during the past eleven years from 2006-07 to 2016-17 at Virudhunagar District.

Production of HDPE in Virudhunagar District

The researcher has made an attempt to analyse the growth of production of HDPE during the past eleven years from 2006-07 to 2016-17 adopting Linear and Compound Growth Rate for analysis.

The following Table 1.5 shows the production of HDPE in Virudhunagar District from 2006-07 to 2016-17.

Table 1.5: Production of HDPE in Virudhunagar District from 2006-07 to 2016-17

Year	Production in tonnes	Percentage in total production	Production Increase/Decrease	% Increase /Decrease
2006-07	5590	3.93%	--	-
2007-08	6500	4.57%	910	16%
2008-09	6750	4.74%	250	3.85%
2009-10	8520	5.98%	1770	26%
2010-11	10090	7.09%	1570	18.43%
2011-12	12360	8.68%	2270	22%
2012-13	13250	9.31%	890	7.20%
2013-14	18560	13.04%	5310	40%
2014-15	18950	13.31%	390	2.10%
2015-16	20300	14.26%	1350	7%
2016-17	21500	15.10%	1200	5.91%
Sum	142370			
Mean	12942.72			
Minimum	5590			
Maximum	21500			
Standard. Dev.	5975.37			
CGR	13.61%			

Production of LDPE in Virudhunagar District

The researcher has made an attempt to analyse the growth of production of LDPE during the past eleven years from 2006-07 to 2016-17 adopting Linear and Compound Growth Rate for analysis.

The following Table 1.6 shows the production of LDPE in Virudhunagar District from 2006-07 to 2016-17.

Table 1.6: Production of LDPE in Virudhunagar District in the District Level

Year	Production in 000 tonnes	% to Total Production	Production Increase/Decrease	% Increase /Decrease
2006-07	2750	5.18%	--	-
2007-08	2780	5.24%	30	1%
2008-09	3350	6.32%	570	21%
2009-10	4210	7.94%	860	26%
2010-11	4260	8.03%	50	1%
2011-12	4480	8.45%	220	5%
2012-13	5350	10.09%	870	19%
2013-14	5500	10.37%	150	3%
2014-15	6210	11.71%	710	13%
2015-16	6950	13.10%	740	12%
2016-17	7200	13.57%	250	4%
Sum	53040			
Mean	939			
Minimum	720			
Maximum	1370			
Standard. Dev.	1558.376195			
CGR	9.48%			

Production of LLDPE in Virudhunagar District

The researcher has made an attempt to analyse the growth of production of LLDPE during the past eleven years from 2006-07 to 2016-17 adopting Linear and Compound Growth Rate for analysis.

The following Table 1.7 shows the production of LLDPE in Virudhunagar District from 2006-07 to 2016-17.

Table 1.7: Production of LLDPE in Virudhunagar District from 2006-07 to 2016-17

Year	Production in tonnes	% to Total Production	Production Increase/Decrease	% Increase / Decrease
2006-07	1950	3.87%	-	-
2007-08	2190	4.35%	240	12%
2008-09	3350	6.65%	1160	52.97%
2009-10	4210	8.36%	860	26%
2010-11	4260	8.46%	50	1.19%
2011-12	4480	8.90%	220	5%
2012-13	4890	9.71%	410	9.15%
2013-14	5200	10.33%	310	6%
2014-15	6210	12.34%	1010	19.42%
2015-16	6700	13.31%	490	8%
2016-17	6900	13.71%	200	2.99%
Sum	50340			
Mean	4576.363636			
Minimum	1950			
Maximum	6900			
Standard. Dev.	1655.453247			
CGR	13.01%			

Production of PP in Virudhunagar District

The researcher has made an attempt to analyse the growth of production of PP during the past eleven years from 2006-07 to 2016-17 adopting Linear and Compound Growth Rate for analysis.

The following Table 1.8 shows the production of PP in Virudhunagar District from 2006-07 to 2016-17.

Table 1.8: Production of PP in Virudhunagar District from 2006-07 to 2016-17

Year	Production in tonnes	Percentage in production	Increase/decrease in production	% Increase/Decrease
2006-07	9530	5.97%	---	--
2007-08	10725	6.72%	1195	13%
2008-09	11370	7.13%	645	6%
2009-10	12460	7.81%	1090	10%
2010-11	13700	8.59%	1240	10%
2011-12	13080	8.20%	-620	-5%
2012-13	14750	9.24%	1670	13%
2013-14	15850	9.93%	1100	7%
2014-15	16950	10.62%	1100	7%
2015-16	18450	11.56%	1500	9%
2016-17	22700	14.23%	4250	23%
Sum	159565			
Mean	14505.90			
Minimum	9530			
Maximum	22700			
Standard. Dev.	3824.86			
CGR	8.42%			

Production of PVC in Virudhunagar district

The researcher has made an attempt to analyse the growth of production of PVC during the past eleven years from 2006-07 to 2016-17 adopting Linear and Compound Growth Rate for analysis.

The following Table 1.9 shows the production of PVC in Virudhunagar District from 2006-07 to 2016-17.

Table 1.9: Production of PVC in Virudhunagar District from 2006-07 to 2016-17

Year	Production In tons	% to Total Production	Production Increase/Decrease	% Increase / Decrease
2006-07	750	7.27	--	-
2007-08	800	7.76	50	6.67%
2008-09	750	7.27	-50	-6.25%
2009-10	720	6.98	30	4%
2010-11	760	7.37	40	5.56%
2011-12	820	7.95	60	7.89%
2012-13	860	8.34	40	4.88%
2013-14	1100	10.67	240	27.91%
2014-15	1250	12.12	150	13.64%
2015-16	1150	11.15	-100	-8.00%
2016-17	1350	13.09	220	17.39%
Sum	10310			
Mean	937.27			
Minimum	720			
Maximum	1350			
Standard. Dev.	229.61			
CGR	5.97%			

V. FINDINGS

- At Virudhunagar district level the total production of HDPE for the year during 2006-07 to 2016-17 is 1,42,370 tonnes. The compound growth rate for the HDPE is 13.61 percent.
- At Virudhunagar district level the total production of LDPE for the year during 2006-07 to 2016-17 is 53040 tonnes. The compound growth rate for the LDPE is 9.48 percent.
- At Virudhunagar district level the total production of LLDPE for the year during 2006-07 to 2016-17 is 50340 tonnes. The compound growth rate for the LLDPE 13.01 percent.
- At Virudhunagar district level the total production of PP for the year during 2006-07 to 2016-17 is 159565 tonnes.
- At Virudhunagar district level the total production of PVC for the year during 2006-07 to 2016-17 is 10310 tonnes. The compound growth rate for the PVC is 5.97 percent.

VI. CONCLUSION

Polymer units are playing an appreciable role rendering in packaging materials to the various sectors of industries all over the state. Virudhunagar District polymer units are exemplary in offering various polymers products of good

quality to meet the industrial requirements. The entrepreneurs of polymer units are also enthusiastic in commencing and expanding to the needs and wants of the customers all over the nation. The polymer units in Virudhunagar District are producing the polymer products on order based business. The growth of production and number of labourers in polymer units clearly indicates the increasing needs of the polymer products under the growing industrialization in Virudhunagar District. The polymer units can produce and supply the polymer products with the help of efficient labourers and invade the national and international market.

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Proficiencies Needed for a Successful Entrepreneur

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Abstract--- *Entrepreneur who is thinking of start a new business, he will need a broad array of entrepreneurial skills to succeed in today's competitive market. Entrepreneur who is a innovative person possess basic skills necessary to enable to start, develop, finance, and market your own home business enterprises. The term entrepreneurial competencies refer to the key characteristics that should be possessed by successful entrepreneurs in order to perform entrepreneurial functions effectively. Most successful entrepreneurs recognize that they can't build or run their business alone. Delegating responsibilities to teams of employees or even outside consultants will not only allow the company to focus on its core competencies, but also will improve the efficiency of its operations and provide avenues for creative ideas to filter their way up to management. Entrepreneurs need a well-developed set of critical thinking skills to organize and administer a successful venture. As an entrepreneur, you must be able to find the necessary information to support wise decisions about a venture. Entrepreneurs need a well-developed set of critical thinking skills to organize and administer a successful venture. As an entrepreneur, you must be able to find the necessary information to support wise decisions about a venture.*

Keywords--- *Entrepreneurial Skills, Traits, Competency, Critical Thinking, Competitive.*

I. INTRODUCTION

Entrepreneurial Skills

IF you are thinking of starting a business, you will need a broad array of entrepreneurial skills to succeed in today's competitive market. You must possess basic skills necessary to enable you to start, develop, finance, and market your own home business enterprises. There are a number of qualities and skills you need to have, including personal attributes, business skills and management capability. While you may not have all of them right now,

there are five basic skills you really must have to run any kind of business.

These five skills are:

1. Sales and Marketing Skills

Sales and marketing are the two most important skills you must have when you plan to start your own business. A business is nothing if it has no customers. You may have the fanciest computer with the latest graphics software, but if no one is knocking at your door to hire you as a graphic designer, then you better rethink why you are in business in the first place. Maybe you are better off employed by a firm. To have revenues and profits, you first need to have customers. To get customers, you must be able to market your business and possess the skills to close the sale.

As you plan your business, you must begin to think how to reach your target audience and the people who may need your products or service. This entails understanding the concept of marketing, and using the tools that your budget permits. You must have a knack for understanding what people wants, listening to their needs, and interact well with other people.

It would be extremely helpful if you possess excellent written and oral communication skills to help you sell your products and services (more so if you are a solo entrepreneur who will be doing everything by yourself).

You need to create a buzz about your business by talking to people and presenting to them your business. You need to write ads, press releases and story ideas about your business. Starting a business is a time to get out of your timid self and begin to aggressively market your venture. That's the only way you can succeed.

2. Financial Know-how

You are in business to make money. Therefore, the most important skill you must have is the ability to handle money well. This includes knowing how to stretch the limited start-up capital that you have, spending only when needed and making do with the equipment and supplies that you currently have. You also need to identify the best pricing structure for your business in order to get the best kind of return for your products or services.

Success in business is not limited to those who have tons of capital in the beginning. Look at the failed dot-coms with funding of as much as \$100 million. Even if they are awash with cash, they still ended up as a failure because they were not able to manage their money well. They lavished themselves with high-tech office furniture and gave their CEOs fancy jets to fly, only to have their cash flow depleted in less than a year.

If you are able to manage your cash flow well when the business starts to run, you will be able to survive the ups and downs of self-employment. The important thing is to always focus on the bottom line. For every spending, always ask yourself: "How much will this contribute to my bottom line?" If it will not give your business anything in return financially, better think twice before opening your wallet.

3. *Self-motivation Skills*

As an entrepreneur, you do not have the luxury of bosses and bureaucracy to tell you what needs to be done. Everything rests on your shoulder from thinking where to get the money to fund the business, to developing the product, to determining how to reach the customer, and so on. Only you will create the plans, and change them should the situation shifts. You need to be smart enough to know when you need to go ahead, and when to stop.

To succeed in business, you must be a self-starter with a clear desired goal in mind. You must have the confidence in yourself, and in your ideas (how can you sell your ideas to others if you yourself do not believe in them?). More importantly, you must be willing to focus your energy and work hard towards each and every step that will make your enterprise a success. Especially if you work at home, it is doubly hard to get into the work mindset: sometimes, the television is just too tempting that it is hard to get out of your pajamas and begin typing in your computer. You therefore must have that extra drive and commitment to make sure that you are taking the necessary steps to make your dream of a successful business a reality.

4. *Time Management Skills*

The ability to plan your day and manage time is particularly important for a home business. When you wake up in the morning, you must have a clear idea of the things you must do for the day. Especially if you are running a one-person operation, you must have the ability to multi-task be the secretary at the start of the day typing all correspondences and emails, become the marketing man writing press releases before noon, make sales call in the afternoon, and become a bookkeeper before your closing hours. Imagine if you are selling products and you still have to create the products, deliver and fulfill the orders, rush to the bank to cash the checks. Lots of job for a simple home-based business! No, you don't have to be a superman (or superwoman). You simply have to know how to manage time and prioritize your tasks.

One difficulty of working from home is that you can never seem to stop. There are simply too many things to do, as if

work never stops (and it doesn't!). Part of having good time management skills knows when to stop and when to leave work, and begin doing your other roles in your family as the husband, wife, mother or father. You must be able to know how to keep your home life separate from your work life, and ensure that there exists a balance between the two.

5. *Administration Skills*

If you can afford to hire an assistant who will organize your office space and file your papers and mails, lucky you! However, most start-up entrepreneurs cannot afford such luxuries. Over and above the tasks of managing, marketing and planning your business, you also need to possess a great deal of administration skills. You need to file your receipts so tax time will not be a trip to Hades. You need to do all the work in terms of billing, printing invoices, collecting payments, and managing your receivables.

Starting a business is never easy, even if you have the perfect background and possess all the above skills. Having all the needed skills and qualities will not even ensure your success. But having these basic skills will, at least, lessen the pain of the start-up process, giving you greater chance in seeing your business grow and prosper.

II. TRAITS OF THE SUCCESSFUL ENTREPRENEUR

From the vantage point of CPAs, who consult with thousands of companies on running their businesses, here are the 10 key traits of the successful entrepreneur:

1. **Goal-driven.** Staying focused on a clear goal-and keeping employees focused on that goal-is often one of the most difficult tasks of the entrepreneur. In fact, one of the most important lessons business owners learn early on is that their company can't be all things to all people. The more focused the company is on producing what it makes best, the more likely it will succeed.
2. **Customer-focused.** Without customers, you can't build a business. The successful entrepreneur spends time understanding the interests and buying trends of potential customers and views the company's products or services through the consumer's eyes.
3. **Team-oriented.** Most successful entrepreneurs recognize that they can't build or run their business alone. Delegating responsibilities to teams of employees or even outside consultants will not only allow the company to focus on its core competencies, but also will improve the efficiency of its operations and provide avenues for creative ideas to filter their way up to management.
4. **Skills-oriented.** Each member of the team must have demonstrable skills that can contribute to the company's overall performance. The astute entrepreneur makes sure that his team possesses a diverse skill base-one that complements his or her

own skills and can create synergies in a team environment. And the entrepreneur is committed to employees' maintaining their skills by providing ongoing educational opportunities.

5. **Techno-knowledgeable.** Virtually every aspect of a business, from manufacturing to financial management to marketing, requires technological proficiency. The entrepreneur must possess some knowledge about technology and take the initiative to hire individuals who can implement technology plans and programs.
6. **Global-thinking.** More and more businesses today are going international. Operating in a global environment means that entrepreneurs must understand the trends and economic and legal issues that have an impact on international markets and products, as well as local customs. But even if you don't anticipate expanding your business across continents, understanding how companies similar to yours operate in other parts of the world can provide valuable information that may be put to use in your own business.
7. **Flexible-minded.** The successful entrepreneur is sensitive to the changing marketplace, competitor strategies, and customer preferences and adapts products or services accordingly.
8. **Bottom-line oriented.** Making money - and profits - requires managing money successfully. Being financially astute, carefully managing vendors and suppliers, and hiring the right team of financial advisors can all help a business prosper.
9. **Socially responsible.** Being socially responsible can also contribute to a company's success. In today's business and social climate, entrepreneurs that are looking to provide a social benefit by making a commitment to serve the economically disadvantaged, protecting the environment, or adopting some other social cause, are more likely to be favorably perceived by end-users of their products and services.
10. **Future-oriented.** Successful entrepreneurs don't get overwhelmed or consumed by day-to-day problems. They have a vision for the future of their company and make an effort to understand the trends and forces that will impact their ability to achieve that vision. Lastly, thanks to the impact of the World Wide Web, more and more customers are expecting businesses to be accessible 24 hours a day. For the entrepreneur, that means making a commitment of time, energy, and resources to be responsive to customer demands and needs.

III. ENTREPRENEUR COMPETENCY-NEED OF THE HOUR

Smartness of a Successful Entrepreneur

There are a few attributes usually found in successful entrepreneur. These are mentioned below:

- **Smart work:** Willing to work smart distinguishes a successful entrepreneur from an unsuccessful one. Successful entrepreneur work smart, especially in the beginning and the same becomes their whole life.
- **Desire for high achievement:** The entrepreneurs have a strong desire to achieve high goals in business. This high achievement motive strengthened them to overcome the obstacles, anxieties, repair misfortunes and devise expedients and only setup and run a successful business.
- **Highly Optimistic:** The successful entrepreneurs are not disturbed by the present problem faced by them. They are optimistic for future situations. Thus, they can run these enterprises successfully in future.
- **Independence:** One of the common characteristic of the successful entrepreneur has been that they do not like to be quirked by other and to follow this routine. They resist being pigeon holed. They liked to be independent in the matters of their business.
- **Foresight:** The entrepreneurs have a good foresight to know about future business environment. They can visualize the likely changes to take place in market, consumer attitudes technological developments etc., and take timely actions accordingly.
- **Good organizer:** Different resources required for production are divorced from each other. It is the ability of the entrepreneurs that brings together all resources required for starting up an enterprise and then to produce goods.
- **Innovative:** In view of the changing taste of customers, the entrepreneurs initiate innovate activities to produce goods to satisfy the customers changing demands for the products. The research initiate established by Tata, Birla, Reliance, Infosys etc. are examples of innovative activities taken by successful entrepreneur.

IV. HOW TO DEVELOP ENTREPRENEUR COMPETENCY?

Competency finds expression in human behavior. Development of entrepreneurial competency is seen in the following method or procedure.

The procedure involves four steps.

- Competency Recognition
- Self-Assessment
- Competency Application
- Feed back

Competency Recognition

The first step involved in developing a particular competency is first to understand and recognize a particular competence.

Self-Assessment

In this step we have to see whether one possesses the particular competence or not. If yes, then to see how friendly one exhibits the same in his particular portion of one's competence. It can be ascertained by posing and answering relevant question to a competence

Competency Applications

After assessing one's position regarding a particular competency, one need to practice the same on continuous basis in various activities. In order to make a new behaviors a part of one's personality, the particular behavior/competency needs to be applied frequently even in the simplest activities 'that one performs in one's day-to-day life. This is because "practice makes a man perfect'.

Feed Back

In this stage one needs to makes an introspection of the same in order to sharpen and strengthen one's competency. This is called feedback. Thus feedback means to know the strengthen and weaknesses of one's new behavior. This helps one know how the new behavior has been rewarding. This enables one to sustain or give up the exhibition of a particular behavior also competence in his life.

V. CONCLUSION

It's never their goals, their vision or their choices. Most people rarely, if ever, move into the direction of freedom and true self-expression. While the world continues to change, the traits of good leaders remain constant. The principles are timeless. Once you learn how to liberate the leader within you, extraordinary things happen.

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Impact of Service Quality on Customer Satisfaction and Loyalty with Reference to Al-Manama Super Market, UAE

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Abstract--- *Marketing is the art of creating, satisfying customers by meeting the needs of customers and by creating value satisfaction for them. As Peter Drucker says "the essence of marketing is that the entire business has to be seen from the point given of the customer". However, customers face a vast array of product and brand choices prices, supplies and to understand the needs and preferences of the customers it becomes imperative for us to carry out research together information. As retail chain store business is gaining popularity very quickly, people engaged in this sector should pay special attention to the growth of this sector. Customer satisfaction of this sector can be a pivotal indicator of how well the stores are meeting the expectations of the customers. This study explores the relationship between service quality and customer satisfaction on customer loyalty with regards to service provided by "Al-Manama Super market, UAE". Retailing in the UAE is expected to reach Dh200 billion by 2017, growing by a 5 per cent on average each year, according to an analysis by the Dubai Chamber of Commerce and Industry. Consumer spending is also expected to continue rising in the medium-term, with growth rates projected to stabilise at about 4 per cent on average per year leading to a total spending of more than Dh750 billion by 2017 across many categories, the analysis adds. To achieve objectives of the study, quantitative methods were used for the statistical analysis and convenience sampling for selecting customers. For the research I used self-administered questionnaire as a method for collecting data from the sample consist of 100 customers randomly selected from the population frame.*

Keywords--- *UAE-United Arab Emirates, AMSM-Al-Manama Super Market.*

I. INTRODUCTION

MARKETING is the art of creating, satisfying customers by meeting the needs of customers and by creating value satisfaction for them. As Peter Drucker says "the essence of marketing is that the entire business has to be seen from the point given of the customer". However, customers face a vast array of product and brand choices prices, supplies and to understand the needs and preferences of the customers it becomes imperative for us to carry out research together information. As retail chain store business is gaining popularity very quickly, people engaged in this sector should pay special attention to the growth of this sector. Customer satisfaction of this sector can be a pivotal indicator of how well the stores are meeting the expectations of the customers.

'Quality' in a service organisation is a measure of the extent to which the service is delivered meets customer's expectations because to the customer, quality is all about meeting or exceeding their expectation.

The national quality institute web site defined quality as follows:

"Quality is in the eye of the beholder. Yet we all recognize it when we

See it Quality is when you are satisfied with a product or service

That you go out of your way to recommend it to other people"

The nature of most services is such that the customer is present in the delivery process. This means that the perception of quality is influenced not only by the service outcome but also by the service process. This study explores the relationship between service quality and customer satisfaction on customer loyalty with regards to service provided by "Tuwairish Super market, UAE". In UAE, supermarket sector has experienced a phenomenal growth in the last decade due to changing tastes and

preferences of consumers. This poses tight competition among the supermarkets as well as from the traditional standalone retail shops. Consequently supermarkets have appreciated the importance of attracting and creating a loyal customer base through provision of superior shopping experience with emphasis on excellent customer service and relationship retailing driven by strategy.

II. INDUSTRY PROFILE

The retail sector includes all businesses that sell goods and services to consumers. In 2014, it accounted for approximately 22.5% of the world's GDP. The sector is largely dominated by the US and China. However, in the recent past, the Chinese retail market has outpaced that of the US in terms of demand and supply. The retail sector is highly fragmented and can be broadly divided into the organised and unorganised segments. The organised segment is dominated by large corporations such as Wal-Mart, Costco, Tesco and Carrefour. The top 10 retailers account for nearly 8.6% of global retail revenue, with Wal-Mart alone accounting for approximately 3.1% in 2015. The retail sector has shown consistent growth after the global economic crisis. During 2009–2014, global retail sales grew at a CAGR of 5.3% to reach GBP10.6tn in 2014. The primary growth drivers of the sector are a growing middleclass population, rising income levels in Asia and technology-led business model transformations worldwide. China has been the biggest contributor to global retail sales in recent years. Retail sales in the country grew at a CAGR of 15.4% during 2009–2014, driven by an increase in its middle-class population and the disposable income of its citizens.

Global online retail sales reached GBP632.8bn (USD839.8bn) in 2014, up 20.9% y-o-y. Retailers are increasingly leveraging information technology on the operational side, in areas such as supply chain management, merchandising and store management, to improve operational efficiency and enhance customer experience. In 2014, the food and non-food segments of the sector accounted for 47.2% and 52.8% of total sales, respectively. In 2009, these percentages were 45.1% and 54.9%, respectively. Asia and Australasia accounted for 38.6% of total retail sales in 2014. Retail sales in the region grew at a CAGR of 8.4% during 2009–2014, while in North America, it grew at a CAGR of 4.5% during the same period.

One of the major trends in the sector is the growth of e-commerce. Global e-commerce sales were GBP632.8bn (USD839.8bn) in 2014, up 20.9% from GBP444.5bn (USD694.8bn) in 2013. To better compete with pure online retailers such as Amazon, traditional retailers are shifting to a multi-channel/omni-channel retail model. Other significant trends in the sector are increasing M&A activity, growing retail penetration in emerging countries and rising retail IT spending.

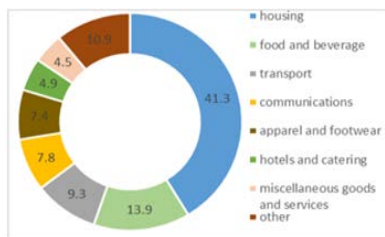
The retail sector includes all businesses that sell goods and services to consumers. Broadly, the sector can be classified into the following two segments:

- **Food:** This segment comprises edible products, including bakery products, organic food, meat and poultry, and ready-to-cook meals.
- **Non-food:** This segment can be further classified into two categories—hard and soft products. The hard products category includes appliances, electronics, furniture and sporting goods. Retailers focused on hard products are called 'hardline retailers'. The soft products category includes apparel. Apart from this broad classification, retailers are also classified on the basis of their operational formats. The following are the major operational formats used by retailers:
 - **Department stores:** Department stores are very large stores offering a wide range of goods and services, such as clothing, cosmetics, household items, electronics and sporting goods. Some department stores also have a grocery section for selling food items. Target Corp, Sears Holdings and Macy's Inc are some of the major retailers that have department stores as their dominant operational format.
 - **Grocery stores:** Grocery stores offer both perishable and non-perishable food items. Some grocery stores also sell non-food items, such as greeting cards, stationery, health care products and cookware.
 - **Specialty stores:** Specialty stores offer a specific type of merchandise. For example, electronic stores sell only electronic goods and jewellers only stock products such as precious metals and gemstones. These stores are often small and independently owned. Best Buy, IKEA and Inditex are some of the major retailers that are specialty stores.
 - **Box stores:** Also called supercentres, superstores, megastores and hypermarkets, box stores offer bulk merchandise at low prices. They conduct B2B sales, in which they offer non-public access to items priced below their suggested retail price. Wal-Mart, Tesco and Carrefour are some of the major retailers that operate box stores.
 - **Online stores:** Online stores sell products through the internet. They either have a large product portfolio or are focused on only one product line. Amazon, eBay and Alibaba are some of the world's major online stores. Some of the other popular operational formats in the sector are mom-and-pop shops, convenience stores and discount store.



III. RETAILING UNITED ARAB EMIRATES

Retailing is one of the pillars of the economy in United Arab Emirates and accounts more than 11 percent of the country’s GDP and close to 30 percent of Dubai’s GDP. The retail industry is divided into organized and unorganized sectors. Over 12 million outlets operate in the country and only 4% of them being larger than 500 sqft (46 m2) in size. Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate-backed hypermarkets and retail chains, and also the privately owned large retail businesses. Unorganized retailing, on the other hand, refers to the traditional formats of low-cost retailing, for example, the local kirana shops, owner manned general stores, paan/beedi shops, convenience stores, hand cart and pavement vendors, etc. Most UAE shopping takes place in open markets and millions of independent grocery shops. Organized retail such supermarkets accounts for just 4% of the market as of 2009. Regulations prevent most foreign investment in retailing. Moreover, over thirty regulations such as "signboard licences" and "anti-hoarding measures" may have to be complied before a store can open doors. There are taxes for moving goods to states, from states, and even within states. Food and beverage is the second most significant consumer spending category, with a 14 per cent share, followed by transport spending at 9 per cent. Communications has a share of 7.8 per cent, and apparel and footwear has a share of 7.4 per cent, while all other items account for less than 5 per cent of private expenditure. Another area that offers many opportunities for consumption growth is luxury retail in the UAE. "There is growth of wealthy and ultra-rich consumers, the main potential customers of the luxury segment. All in all, consumption is going up and retailing in the UAE is a major sector, which is supportive of economic growth and offers a lot of business opportunities," the analysis stated.



Source: Dubai Chamber based on Euromonitor data.

UAE Consumer Spending by Category(2014, % shares in total consumer spending)

IV. CONSUMER TRENDS

The current consumer trends in the UAE are provided as follows.

- Consumers are searching for bargains due to the rising cost of living. Although the disposable income is rising, the cost of living is increasing as well. The UAE residents fear the rising prices of groceries because their income is always fixed. While large scale changes in prices of dairy and meat haven’t been occurred, vegetable prices are reported to have risen dramatically since 2014. As a result, consumers are looking for bargains that counter the rising prices of grocery products and daily goods. (Euro monitor 2015)
- Consumers are developing more interest in healthier foods. Due to the growing awareness of health issues, the UAE consumers are seeking for healthier and foods with higher nutrition, better quality and fair prices. Fresh fruits and vegetables, natural foods, organic foods, whole foods and dietary supplements market will have a larger customer base. Consumers are also demanding for products which are gluten-free, sugar-free, and dairy free.

V. SOME TOP RETAILERS

Lulu Group, Carrefour, Spinney's, Al Maya, Emirates Cooperative Society, Union coop.

VI. COMPANY PROFILE



Tuwairish Group aspires to empower all customers who walk through our doors with a distinct advantage in leading their chosen lifestyle with pride and satisfaction, irrespective of their social and economical status. This apart, we seek to become a dependable and reassuring companion who deeply perceives, and cumulatively fulfils their lives’ needs, desires and dreams.

We are committed to offer our customers the most extensive range of choices, the finest quality and unmatched value, complimented by world-class customer service standards through an enjoyable and rewarding shopping experience.

Our Honourable Chairman & Managing Director Mr. P.P Abu-Bakr says "a strong spirit of adventure inspired me to various endeavours. Eventually the entrepreneur in me was tempted to experiment with multiple lines of business, which led to focused effort in the retail sector since 2002. Back then the concept of a department store was not very

popular, especially among the middle and lower strata of the society. Yet, Tuwairish Group pioneered its way to success by virtue of delivering everything under one roof at affordable prices and offering impeccable customer services. Tuwairish Group started as Tuwairish Trading LLC at Abu Dhabi, UAE. This deals with the distribution of fresh meals and frozen items across United Arab Emirates.



Tuwairish Group with a strong background of business experience of over 15 years in this part of world itself, under the guidance of esteemed chairman Mr. P.P Abu-Bakr and other dedicated professionals, has grown vigorously. Combining the wisdom of our chairman and experienced senior managers along with zeal of the younger generation, our staff members believe as their own company and strive hard to achieve the highest standard to serve our customers to their satisfaction. Our CEO, Mr. Muhammad Sideeq with an extraordinary combination of youthful dynamism, supports the chairman in running the business of the group. Our staff members, who hail from various parts of the world, submerge into a single work culture at Tuwairish Group.

VII. STATEMENT OF THE PROBLEM

Quality service is defined as the judgment or perception resulting from customers' evaluation processes, whereby customers compare their expectations with the service they perceive they have received. Keeping in view the significance of service quality and customer satisfaction and loyalty, a study is designed to examine the impact of service quality as an independent variable on dependent variables i.e. customer satisfaction and loyalty.

The major research problems are:

- What is the level of service quality deliver of Tuwairish supermarket
- What is the Customer satisfaction and Loyalty with Tuwairish supermarket

VIII. OBJECTIVES OF THE STUDY

- To assess the level of service quality of the Tuwairish Supermarket.
- To analyse the relationship of service quality and customer satisfaction and loyalty of Tuwairish supermarket
- Make recommendations based on the findings of the study that will help to address the challenges identified by the customer.

IX. SCOPE OF THE STUDY

In this competitive world retaining the customers has become very important; hence it has become part and parcel of the business. Business which can adapt to quick changes and get access to improvised technology can survive in this stuff market conditions

- The study can be applied to understand various level of quality services provided by the supermarkets.
- The study help for further studies related to customer preferences and customer loyalty.
- The present study also helps for understand the new services for improving the quality of services

X. RESEARCH METHODOLOGY

Research methodology is one of the most essential elements of a research study as it provides a framework to accomplish a research in the most efficient manner. It is a way to systematically solve the research problem and it may be understood as a science of studying how research is done. Research methodology involves different methods and strategies that are significant to develop a link between research question and its objectives.

XI. DATA SOURCE

Primary Data

Collection of primary Data

There are several methods of collecting primary data particularly in surveys and descriptive researches. Important ones are as follows:

1. Observation Method
2. Interview Method
3. Questionnaire
4. Schedules and

Secondary Data

In order to have a proper understanding of the service quality of bank a depth study was done from the various sources such as books, a lot of data is also collected from the official websites of the banks and the articles from various search engines like Google, yahoo search and answers.com.

XII. RESEARCH DESIGN

To carry out this project, descriptive research is used, since it is a systematic study in which the researcher is able to formulate the objectives of the study.

Descriptive Research Design

Descriptive research also known as statistical research, describes data and characteristics about the population or phenomenon being studied. Descriptive research answers the questions who, what, when and how...

XIII. RESEARCH SAMPLE

Sampling Units: Customers of the Tuwairish Super Markets, Mussafah, Abu Dhabi

Sampling Size: Sampling size consists of 110 respondents.

Sampling Method: Convenience sampling method is used.

Research Instrument: Structured Questionnaire.

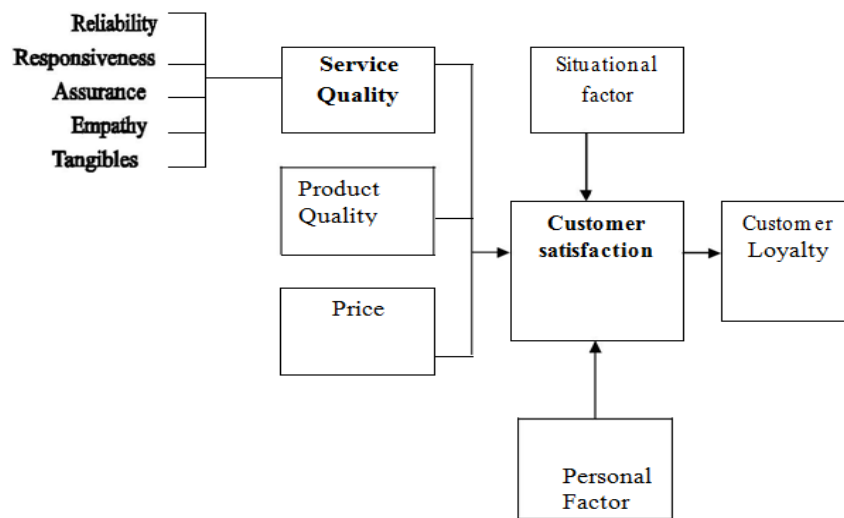
Contact Method: Personal Interview.

Tabulation: It is the arrangements of classified data in an orderly manner. This involves creating table for recorded data of the questionnaire schedule. These tables were helpful to analysis statistic tools.

XIV. LIMITATIONS OF THE STUDY

- Customers were not interested to fill up the questionnaire.
- Accuracy of the findings depends on the truth of data given by the respondents.
- Customers have not enough time to spend with researcher.
- The study is purely academic.

Customer Perceptions of Quality and Customer Satisfaction Wilson, 2008



XV. REVIEW OF LITERATURE

Study titled *satisfaction level of hotel customers in Iran: (case of Parsian Esteghlal Hotel by Neda shishavi 2007)* found that success of every company or Organization lies beneath the satisfaction of their customers. This is especially obvious in hospitality sector. The success of the company active in hospitality environment has a direct relationship with their ability to satisfy their customers. Hotels, as one main important sector of hospitality environment, will use their customers if they walk out the door dissatisfied. In this situation they will not hack to the hotel and they will not suggest the hotel to their friends. This means losing customers and failure of the company (hotel).

- Only the customers of Tuwairish Supermarket were considered is respondents. The study was conducted for the period of 42 days from April 3rd 2017 to 13th May 2017.

Service Quality and Customer Satisfaction and Loyalty

Since customer satisfaction has been considered to be based on the customer’s experience on a particular service encounter, (Cronin & Taylor, 1992) it is in line with the fact that service quality is a determinant of customer satisfaction, because service quality comes from outcome of the services from service providers in organizations.

Another author stated in his theory that “definitions of consumer satisfaction relate to a specific transaction (the difference between predicted service and perceived service) in contrast with ‘attitudes’, which are more enduring and less situational-oriented,” (Lewis, 1993) This is in line with the idea of Zeithaml et al (2006). Regarding the relationship between customer satisfaction and service quality, Oliver(1993) first suggested that service quality would be antecedent to customer satisfaction regardless of whether these constructs were cumulative or transaction-specific.

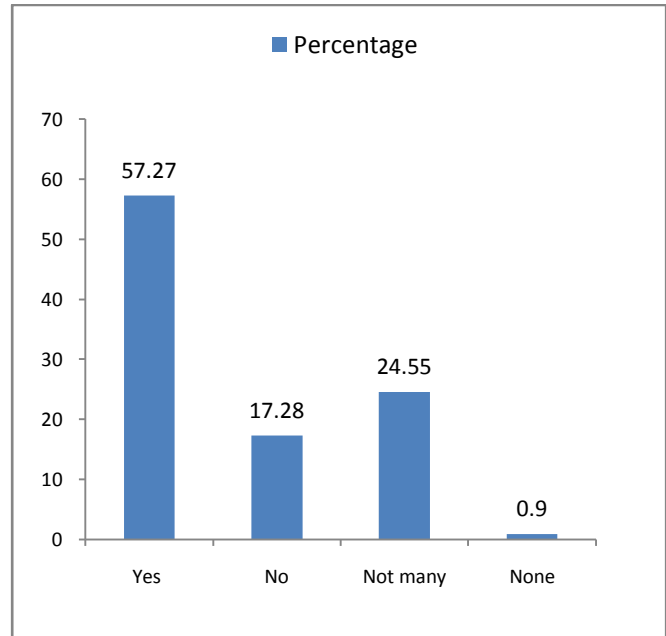
Study titled *contractual governance of Indonesia Railway system by Retno sarisunarto 2009* found that the growth of private motor vehicle grows rapidly each year have negative impact not only for the extra contribution of air pollution but also to time wasting. That impact can lead to decreasing of people quality life. Public transportation is one of the solutions for the problem. Therefore, the shift from private motor vehicle user to public transportation, in other word increasing market share of public transportation, is necessary.

Study titled *customer satisfaction with service delivery of mobile telecommunication networks in Ghana by Simon GyasiNimako, Foresight Koftazumah-2009* was conducted to assess and analyze customer satisfaction with service delivery of mobile telecommunication networks (MTNs)

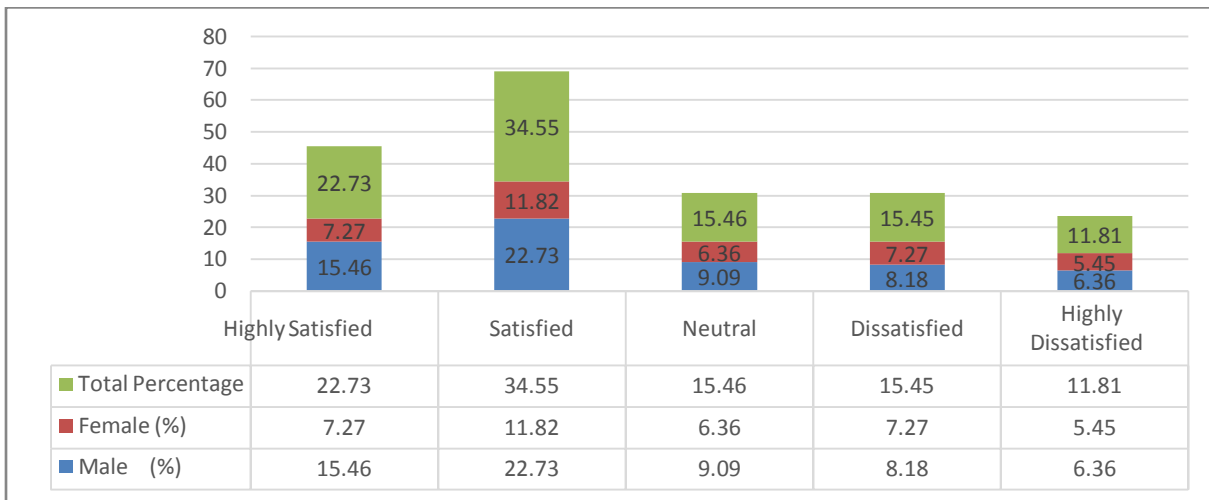
with Ghana. The main problem of this study was whether customers are satisfied with service delivery of MTNs in Ghana. The study was basically a survey that used both qualitative approaches. A structured questionnaire was developed, pre-tested and personally administered to the target population of individual mobile subscribers. One thousand (1000) respondents were sampled from the target population of seven million, six hundred and four thousand and fifty-three (7604053) mobile telecom subscribers through a satisfied random sampling.

Palacio, Meneses, & Perez, (2012) also empirically proved the dominant role of brand image in predicting customer satisfaction in the hospitality industry. Moreover, the congruence between the brand image and customers' self-image would enhance customer satisfaction and customers' preference for the brand. Furthermore, the strategic importance of customer satisfaction for organizations is even more highlighted. In a competitive marketplace where businesses compete for customers like in the service industry; customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. It is essential for companies to effectively manage customer satisfaction

Opinion about Variety of Products in One Product Category



Overall Satisfaction towards Tuwairish Supermarket



XVI. FINDINGS

From given period of time in main project at Tuwairish Supermarket, Musaffah, Abu Dhabi, I visited many customers and collected information from those customers through questionnaire distribution and analysed data. My findings and suggestions are as follows:

- Service quality of Tuwairish Supermarket is satisfactory.
- 30.5% of the customers visit the supermarket during offers.
- Speed of delivery and the behaviour of staffs are the high ranking in the service quality of Tuwairish Supermarket.

- 46.36% customers treats the quality of product as the credential factor for purchase of products from Tuwairish supermarket
- Quality of products and the cleanliness of the supermarket have a great role in attracting and retaining the customers.
- 64% of respondents agree that the time taken for billing in the counter is excellent.
- 70% of respondents agree that Effectiveness of store layout helps in easy purchase
- 66.42% of respondents are satisfied with the location of the store
- 71.92% of respondents agree that employees have the knowledge level to answer the questions.
- 57.27% respondents agree that supermarket have more variety of products in one product category

- 66.37% of respondents said that the store is reminding & intimating store discounts & prices to all customers in store.
- 60% of respondents agree that the store accept return and exchange of products.
- Discount coupons and the one hour sales are the most successful loyalty programs of Tuwairish Supermarket.

XVII. SUGGESTIONS

In an effort to stay in the increasingly more challenging business world, companies are constantly trying to develop new ways in which to improve their organizations. Retail industry need to differentiate themselves based on many factors besides price, product offerings and customer service are also key factors. In order to successfully compete in this market;

- Company is requested to solve the problems of customers by providing more offers at the right time and making changes in the lower ranked loyalty programs.
- Adding more space for parking facilities can leads to achieve more customer satisfaction.
- Company can increase revenue, by retaining existing customers and winning new ones, distinguishing from the competition, in order to acquire market share and customer loyalty.
- Giving Private event tickets is the lower ranked loyalty program. Make changes like giving equal opportunity to all customers can improve this loyalty program
- Company can improve customer service, by reducing the wait time at checkout and also creating a clean atmosphere in the store and adding more variety of products in one product category.

XVIII. CONCLUSION

In the current retail industry, customer purchasing and managing their product option. To win and retain customers, Retail firms must differentiate themselves by more than just price. Quality and customer satisfaction have long been recognised as playing a crucial role for success and survival in today's competitive market.

The research entitled "A study on impact of service quality on customer satisfaction and loyalty at Tuwairish Supermarket, Musaffah, Abu Dhabi, UAE" seeks to examine the several aspects of effectiveness of service quality of Tuwairish Supermarket. For the study of above topic questionnaire containing relevant questions were supplied to the customers. The questionnaire was prepared in such a way that customers can understand it clearly and answer easily. From this study all the variables had high percentage of positive opinions. Only minority of the customers gave negative opinions about certain variables,

which suggest that the customers are satisfied with the service quality of Tuwairish Supermarket.

As a researcher it was a good experience and also helped to get exposure to the field. We can hope that Tuwairish Supermarket may continue its good performance in the future also by satisfying the needs of customers.

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Role of Human Resource in Organizational Innovation

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Abstract--- *Organizations face severe challenge when they live in an active and cutthroat business environment. Enhancing customer satisfaction levels are of serious concern for any organization as a matter of survival. This has to be achieved through accomplishment of innovative strategies. Major driving factor for innovation is human capital and hence human capital needs constant monitoring by managers. Culture of innovation is the key for business success and thus an effective manager should be successful in managing his human capital.*

In the Present era, as the economic crisis is morphing the work places across the globe, organizations need to prepare to stand the test of these difficult times. As Benjamin Franklin said "If you fail to plan, you are planning to fail". This is true for any organization. Survival cannot be guaranteed unless organizations make innovative changes to the way they work and manage. We witness that there are some organizations that come out of the shock of recession relatively untouched, even healthier than they were before and are thriving, while others are still in an anxious pursuit of their feasibility and survival. For such organizations facing difficult times, the only key factor for their revival and survival is innovation. Recession gives them an opportunity to be innovative, to be unique and different and to think out of the box. This paper is a conceptual paper which provides insights into how organizations, HR, and employees can cultivate innovative behavior and foster innovative and creative skills to revive and survive from the heat of recession.

Keywords--- *Recession, Innovation, Survival, Culture, Organizational Innovation, Organizational Performance.*

rather than competing. Their focus has shifted from gaining a competitive edge to survival till the rosy days, and survival of any organization cannot be guaranteed unless they make innovative changes to the way they work and manage. Necessity is also a reason for the same, for adapting themselves for survival (Anastasiu, 2012; Maier, 2014). For meeting the challenges of future and to accelerate the rapid changes, both generalist managers and human resource specialists have to be effective in managing their human resource capital. They should be intelligent and knowledgeable. They should be skilled in the practice of HRM. These managers should be able to put into use specific HRM practices in order to catalyze organizational innovation (OI) (Maier, 2014). HR is one of the fundamental resources for any organization. It is termed as the key ingredient for the success of any firms (Foss & Laursen, 2012). This also includes its role in the failure and success of a firm's performance in innovation. It is critical to understand how and why HR capital boosts innovation in organizations and deploying what sort of HRM practices in the organization can result in the needed levels of performance of organizational innovation.

HRM practices matter to the human capital's contribution to performance of innovation in organizations. As such management involves trainings, decision making on compensation of employees, good recruitment system and such. Additionally, a few innovative HR practices such as employer branding and customer engagement, implementation of advanced technology, employee centric initiatives, green management initiatives, social HR... etc are arrangements that imply better contribution to the human capital of the firm towards innovation. Practices of firms related to sourcing, human capital upgrading and deployment are identified in many literatures as impacting the performance of firm's innovation at firm levels (Cockburn & Henderson, 1994; Rjordan & Galunic, 1998). These are the major practices that are crucial constituent elements of innovation (Teece, 2007). A crucial part of such practices are those of the firm related to attracting, recruiting, training, appraising performance and reward system of employees.

II. THE CONCEPTUAL FRAME

Some of the concepts used in this paper are explained below:

I. INTRODUCTION

THE last 2 decades have witnessed drastic changes in the world. In the current era of rapid and unexpected changes, roles played by governments, civilians and private groups and organizations are also changing. Firms and management systems get transformed either by choice or by pressure. Corporates are now, striving to survive

- a) Innovation
- b) Green Management
- c) Generation -Y

a. Innovation

As several thousands of small, medium, and big businesses have already closed since the onset of recession, concern for business revival and survival has heightened. For organizations facing difficult times, the only key factor for their revival and survival is innovation. To begin with, what is innovation? For many of us, innovation means the introduction of new technology and inventions-such as the internet, cell phone, etc. It is true that innovation led to the development of these new products but innovation is much more than that. Innovation goes beyond technology and requires collaboration from many areas to come together to achieve success. It is nothing but doing something different or doing same thing differently resulting in pleasure, convenience, economy and increase in productivity. To thrive in a prolonged recessionary environment, it is therefore, the need of the hour to broaden our definition of innovation beyond one of delivering novelty that sees the customer pay more. In this regard, the three most common types of innovation observed Chinese firms pursuing are thought provoking.

First was cost innovation: reengineering the cost structure in novel ways to offer customers adequate quality and similar or higher value for less cost. Cost innovation involves creative ways of re-engineering products or processes to eliminate things that don't add value (or value that consumers are willing to pay for).

Second was application innovation: finding innovative applications for existing technologies or products. Application innovations often require less investment and generate faster payoffs compared with entirely new inventions-very useful characteristics in recessionary times.

Third was business model innovation: the well-worn idea of changing one of the four core components of the business model (customer value proposition, profit formula, key resources or new processes) but with a twist -adjusting those aspects that can be changed quickly and at minimal cost.

b. Green Management

It is the organization-wide process of applying innovation to achieve sustainability, waste reduction, social responsibility, and a competitive advantage via continuous learning and development and by embracing environmental goals and strategies that are fully integrated with the goals and strategies of the organization.

c. Generation -Y

Generation-Y, also called Millennials, echo boomers, internet generation, iGen net generation born in the 1980s and 1990s, comprising primarily the children of the baby

boomers and typically perceived as increasingly familiar with digital and electronic technology.

III. INNOVATION IN PRACTICE

It is important to mention here that this section focuses more on innovative HR practices which could be implemented by the corporate world in times of turbulence either for survival or revival or both. However, these are not exhaustive or universally applicable. While considering some of these practices for implementation, companies shall create proper environment to ensure their effectiveness. It is believed that some of the factors such as the nature of business, size of the organization, the intensity of competition in the industry in which the enterprises belong etc., are the determinants of the innovative HR Practices in an organization.

a. 10 Practices from the Most Innovative Organizations

The most innovative companies really do think differently, here's how they develop a culture of creativity. Recently, the Institute for Corporate Productivity published a study surveying some of the top companies and people in the fields of management and innovation. They examined some of the best people management practices at organizations known for innovation and found several ways that those companies develop and manage their human capital. In summarizing their findings, here are 10 human capital practices that drive innovation:

- i) Use Technology to Collaborate and Share Knowledge. Collaboration drives creativity and innovation, and social media and conferencing technologies can help bring people together (or virtually together) more often for that collaboration.
- ii) Promote Innovation as an Organizational Value. The most innovative companies didn't just luck into hiring creative people; they placed creative and even average people into creative cultures.
- iii) Include Innovation as a Leadership Development Competency. Part of building an innovative culture is having leaders who value creativity, and are creative themselves.
- iv) Tie Compensation to Innovation. The jury is still deliberating the influence of incentives on creativity, but their use in organizations sends a signal that innovation is valued. That signal is an important part of culture building.
- v) Develop an "Idea-finding" Program. Innovative companies build a system that taps into the collective knowledge of everyone and lets everyone promote good ideas.
- vi) Fund outside Projects. It might sound counterintuitive to allow funding to develop projects that are technically outside the organization, but as market boundaries continue to blur, strategic innovation partnerships become even more important.

- vii) Train for Creativity. Creative thinking skills can be developed and the most innovative companies fund training programs to develop them.
- viii) Create a Review Process for Innovative Ideas. Even the best ideas don't come fully formed. There is a process to refining, developing and identifying the ideas with the most market potential. Creating a review process allows this to happen and signals that innovative ideas are valued.
- ix) Recruit for Creative Talent. Especially at the undergraduate and graduate levels. The war for talent is slowing shifting its focus from quantitative minds to creative ones.
- x) Reward Innovation with Engaging Work. Research demonstrates that companies that are able to identify their most creative employees can enhance their creative ability by providing them autonomy to work on projects that are naturally interesting to them.

b. Innovative Responses to Combat Slowdown

Organizations need to evolve according to changing times and transform, to start thinking ahead and planning for revival and recovery and thus become a ray of hope to its employees and other stakeholders. In such a complex situation organization should think outside the box, Link strategy and decision making, enable employees to come up with innovative ways to steer their organization to financial health, to work as a Team, and promote a culture of creativity.

HR professionals guide the ship (organization and its employees), safely to the shore of survival and prosperity. Traditionally the HR activities have been performed in-house but the changing market dynamics and global competitive pressures have caused organizations to be more dependent on HR to help them navigate turbulent waters as they make decisions regarding their precious assets- their people. Most often HR professionals are the go-to people for new ideas, strategies and solutions. During these tough times HR needs to cultivate innovative behavior, foster innovative and creative skills, assume new roles and protect the organization from the heat of recession. From counselor to catalyst—HR should make something happen. When employees feel frustrated or helpless, if people, processes or system don't work properly, they need to provide support and guidance.

Employees: Lynda Gratton, Professor of Management Practice in Organizational Behaviour at London Business School suggests that an economic downturn is the ideal time to learn how to be different and make innovative changes to the way one works and manages. Employees could focus on the following areas and become a beacon during these trying times:

- Create a mindset that will help them to accept difficult times yet not to get bogged down by the same. To be flexible and responsive to change, to accept difficult decisions taken by the organization

such as deferment of pay hikes, delayed promotion, expanded job responsibilities.

- Focus on performance and not to stick to KRAs and job descriptions but to go beyond them, help them achieve success. To be proactive in taking up extra responsibilities and delving into other areas of business.
- To be Innovative in thinking and activities. Thinking out of the box and implementing innovative ways to meet and exceed their goals, not sticking to past formulas of success but to work out new ways to succeed.
- Acquiring new qualifications if they know and see a potential threat to their job. Learning new skills to adapt to new situations, equip with transferable skills.
- Developing effective networks that help in finding out new and relevant information and making achievements visible so that they can be recognized.

c. Innovative HR Practices for Survival

In order to be successful, the organizations at all levels have to focus on innovative practices that are original, exemplary, successful, adaptable, new solutions gained from experience and those that build competencies and capabilities for superior and winning performance today and simultaneously create long-term fertility for innovation of business ideas and strategies for future. Some of the Innovative HR practices which could be implemented for revival and survival are described above

IV. CONCLUSION

Last 20 over years have witnessed expansion of the literature that specifies the link between innovation of organization and HRM practices. Innovation is the key to modern day businesses. HRM practices associated with product, process and administration plays a significant role in Organizational Innovation performance. It provides a supportable competitive edge for firms in the rapid and fast growing, competitive business world.

Firms engage in open innovation processes and engage external sources of knowledge for innovation. Importance of employee participation is getting serious attention towards this these days. Internal sourcing of innovation from its employees is the future for organizational innovation to provide competitive edge for firms (Dodgson, 2006). This indicates the need for dedicated and customized recruitment, training, appraisal and compensation system within HRM with focus on below aspects:

- a) Effective employee management focusing on values and processes and finding new ways of engaging people.
- b) Strategic cost management rather than short-term cost cutting by using Management innovative techniques.

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Modern Scenario of Financial Engineering

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Abstract-- As observed at least in last two decades, FM has not only changed the way of doing business in finance world, but also has changed daily life of average citizens in the leading economies. FM is a multidisciplinary field involving financial theory, methods of engineering, tools of mathematics and the practice of programming. It has also been defined as the application of technical methods, especially from mathematical finance and computational finance, in the practice of finance. FM is the use of mathematical techniques to solve financial problems. FM uses tools and knowledge from the fields of computer science, statistics, economics and applied mathematics to address current financial issues as well as to devise new and innovative financial products. FM is sometimes referred to as quantitative analysis and is used by regular commercial banks, investment banks, insurance agencies and hedge funds. There are four components to improve prudential regulatory/supervisory framework of structured products. Those are, timely/effectively action to the balance sheet problems, to increase the effectiveness of the risk management, to improve independence and quality of prudential regulation/supervision and to increase accountability of supervisors.

Keywords--- FE-Financial Engineering.

I. INTRODUCTION

FM draws on tools from applied mathematics, computer science, statistics and economic theory. In the broadest sense, anyone who uses technical tools in finance could be called a financial engineer, for example any computer programmer in a bank or any statistician in a government economic bureau. However, most practitioners restrict the term to someone educated in the full range of tools of modern finance and whose work is informed by financial theory. It is sometimes restricted even further, to cover only those originating new financial products and strategies.

FM plays a key role in the customer-driven derivatives business which encompasses quantitative modeling and programming, trading and risk managing derivative products in compliance with the regulations and Basel capital/liquidity requirements. Financial engineers have their jobs cut out—in designing, creating and implementing new financial instruments, models and processes to solve problems in finance and take advantage of new financial opportunities. FM is also concerned with the strategies companies use to maximize profits or other important performance metrics. Although there are many overlaps and synergies in their activities; nevertheless most FM positions have a specific focus within the firm viz. to make money by trading the firm's own capital; to support the frontline traders with timely strategies; to create new, hybrid and innovative financial products; to measure, manage and control risk; and to maintain investment portfolios that meet certain given objectives. Many complex problems are associated with each area of practice, which are yet to be solved.

II. PROPRIETARY TRADING AND ALTERNATIVE INVESTMENT STRATEGIES

Proprietary trading is trading done for the direct benefit of the owners of a firm. This is distinctly different from agency trading which is trading done for the benefit of its customers. There are various types of alternative investment strategies such as convertible arbitrage, merger arbitrage, fixed income arbitrage, various forms of leveraged long-short equity, emerging market trades, distressed debt, managed futures and private equity.

III. FM AND MARKET FUNDAMENTALISM

FM is a practice and can be used only when we define the related environment carefully. The philosophy and/or socio-politic environment caused evolving FM products may be defined by some magic liberal words involving free market economy, economic freedom, financialization etc. Because the approach of ultra-liberalization has impaired regulatory/supervisory systems, one may raise the

question after global financial crisis whether free market economy is sufficient enough to sustain global economy.

In the period of post 2000's, financial deregulation, shadow banking and also investment banking were the rising stars in the leading financial centers. In addition to market players, and also politicians do believe the benefits of FM through structured products and securitization techniques. But, according to various observers, free market fundamentalism is clearly one of the reasons of global financial crisis. For example, Hutton (2010:33) indicates that this crisis was thirty years in the making—a Gordian knot of libertarian free-market fundamentalism, unregulated globalization, the collapse of social and political force committed to fairness, the explosive impact of financial innovations.

IV. TRADING SUPPORT

Pricing complex instruments and transactions quickly and accurately, while managing risk at the same time (in a manner consistent with firm's objectives) are critical capabilities for a trading professional. It becomes critically important to build and maintain the Decision Support Systems (DSS) for facilitating and augmenting these capabilities. FM provides the mathematical and quantitative talent required to build and maintain these decision support systems.

Both proprietary implementations built in-house and commercial systems sold as customized and turnkey solutions are used for this purpose. The trading activities themselves may either be proprietary or customer related.

V. BENEFITS AND RISKS OF FINANCIAL ENGINEERING

It has been observed that politicians/bureaucrats in the US did not have reactionary approach against FM products because of two reasons. First, not surprisingly, they did not exactly understand the risks of structured products. This can be acceptable because even highly sophisticated market participants (i.e. CRAs, investment bankers, typically many board members etc.) couldn't understand the realities. CRAs happily rated them triple A, and unsuspecting buyers were told they were buying great stuff that could never fail, was secure and gave a good return. Second, and more importantly, they thought that FM products help to improve mortgage affordability. Therefore, they believe that more securitization and hence higher volume of low-cost housing credits would make American dream more reliable. Side benefits of this process were also fantastic.

VI. CONSULTING AND CUSTOMER SUPPORT

Investment banks and other financial institutions provide research reports and other forms of analytical support to their customers. These supports may often be provided free of cost as a means of maintaining client relationships

or stimulating the demand for a firm's services. Such kind of consultancy and customer support is widely prevalent these days and a visit to any number of brokerage web sites will give you an indication as to how pervasive this is in today's scenario. Although the larger organizations maintain their own staff of professionals, from time to time they still engage consultants to provide an independent, and hopefully superior, review.

VII. RISK MANAGEMENT AND RISK CONTROL

Laws and regulatory guidelines pertaining to risk-monitoring and control, alongside the laws and regulations dealing with credit and capital requirements have been around for a long time. However, the catastrophic high profile failures of hedge funds and investment banks in recent times have led to a call for a more consistent, verifiable, quantitative, firm-wide approach to risk monitoring and control. These days firms recognize that, with the increasing complexity of financial products and markets, the capability of being able to define and enforce coherent risk management policies will determine the organization's survival.

VIII. GLOBAL FINANCIAL CRISIS AND REGULATORY FAILURES IN FINANCIAL ENGINEERING

The world struggles to cope with capitalism's near apocalyptic failure (Fernandes, 2010:20). It seems that global financial crisis will probably be the milestone of everything in the near future from finance industry, politics and art market to global poverty.

In many respects, the subprime market experienced a classic lending boom-bust scenario with rapid market growth, loosening underwriting standards, deteriorating loan performance, and decreasing risk premiums. Argentina in 1980, Chile in 1982, Sweden, Norway, and Finland in 1992, Mexico in 1994, Thailand, Indonesia, and Korea in 1997 all experienced the culmination of a boom-bust scenario, albeit in different economic settings. But, rapid appreciation in housing prices masked the deterioration in the subprime mortgage market and thus the true riskiness of subprime mortgage loans. When housing prices stopped climbing, the risk in the market became apparent (Demyanyk and Hemert, 2008: 32-33).

Most economists and financial analysts identify amongst the main causes of the current global financial crisis, the U.S. Federal Reserve's low interest rates policy (Fed funds) of the latest years with the resulting credit euphoria of both lenders and borrowers, the more relaxed credit initiation policies and procedures, the overwhelmingly positive expectations on the real estate market growth and prices increases, and the massive use of badly controlled innovative FM tools (Pezzuto, 2008: 4).

As seen in the new regulations of U.S., the negative impacts of FM has accepted as one of important reasons of the crisis. The motives of profit-making, short termism and competition are among the essential elements of single/systemic failures occurred in various mortgage finance institutions during the crisis. But it is equally essential to note that regulatory/supervisory agencies from UK to US have also failed during the global turmoil. From regulatory point of view, we may argue that lack of efficient regulatory/supervisory structure related to engineered products is one the critical reasons of the regulatory failure.

IX. PORTFOLIO MANAGEMENT

Portfolio management deals with the identification of financial objectives and their translation into a portfolio of assets that is diversified so as to manage risk and optimize return. The portfolio so created then has to be managed over time in the face of uncertain investment performance and consumption demands. Once this foundation has been set down, the even more formidable challenges, associated with making the choice of assets in a portfolio, are to be encountered. Even with the knowledge of existing theory, there are many real world issues that complicate the decision making process and best solutions remain elusive. We have to deal with underlying parameters that are non-stationary and poorly understood. Add to it the fact that the transactions costs are involved and they are highly non-linear and uncertain. Such complications, in turn, mean that standard single period approaches may rarely represent the actual problem.

X. REGULATORY FORBEARANCE AND EFFECTIVE REGULATORY FRAMEWORK FOR FINANCIAL ENGINEERING

As a general establishment, supervisors and regulators have the ultimate responsibility for both firm-wide and industry-wide risk management practices due to their statutory objectives.

In this context, regulators aim to enhance firm level control and discipline mechanism and not only accounting, internal control and internal audit mechanisms but also risk management system are also shaped by regulators and supervisors (Coskun, 2007: 56).

It has been long recognized that FM works without effective official discipline framework. In other words, regulation/supervision/enforcement tools have not simultaneously worked well in the case of structured finance during/before the crisis. To regulate some structured products have some limitations, but it seems that the instruments of regulation and supervision have failed in the case of financial engineering. Quintyn and Taylor (2002) emphasize that two factors served to give the need for regulatory and supervisory independence greater prominence in recent years. First in almost all of the systemic financial crises of the 1990s, the lack of

independence of supervisory authorities from political influence has been cited as one of the contributing factors to the deepening of the crisis. Weak and ineffective regulations—often because politicians block the adoption of stronger regulations—weak and dispersed supervision, and political interference in the supervisory process leading to regulatory forbearance have been mentioned as major factors contributing to the weakening of the banks in the run-up to the crisis, postponing the recognition of the severity of the crisis, and delaying first official and subsequently effective intervention.

It is important to enhance accountability of regulators to prevent/minimize regulatory problems. Mishkin (2001) points out that supervisor must be accountable if they engage in regulatory forbearance in order to improve incentives for them to do their job properly. To get supervisors to do their jobs properly, they must also be subject to criminal prosecution if they are caught taking bribes and must also be subject to censure and penalties if they take jobs with institutions that they have supervised recently.

In the light of problems observed during the global financial crisis, we may define a framework to improve current regulatory system on FM practices. To keep the discussion within limits, we will only underline the components of good regulatory/supervisory governance for FM products. Das and Quintyn(2002) suggest that there are four components of good regulatory governance. These include (i) Independence of the agency from political and industry interference; (ii) Accountability; (iii) Transparency; and (iv) Integrity.

In this context, sound prudential regulatory/supervisory system may have four components.

1. Timely/effectively action to balance sheet problems of all financial intermediaries.
2. To increase the effectiveness of the risk management.
3. To improve independence and quality of prudential regulation/supervision.
4. To increase accountability of supervisors.

XI. CENTRAL PROBLEMS OF FINANCIAL ENGINEERING

There are many problems that may be classified as FM problems. Perhaps the most obvious such problems are: securities pricing, risk management and portfolio optimization.

1. Securities Pricing

We can typically identify two classes of securities: *primitive* securities and *derivative* securities. Examples of primitive securities are stocks and bonds whereas options, futures and swaps are examples of derivative securities. It is probably fair to say that financial economics is more concerned with pricing primitive securities, usually using equilibrium arguments (e.g. supply = demand) to do so. FM

is typically more concerned with pricing derivative securities and uses *arbitrage* arguments to do so. This distinction is not hard, however, and sometimes it is necessary to use equilibrium arguments when pricing derivative securities. Moreover, some models such as the Capital Asset Pricing Model (CAPM), are equilibrium-based models that are of fundamental importance to both financial economists and financial engineers.

2. Risk Management

Risk management is concerned with understanding the *risks* that are inherent to your portfolio of securities. For example, you might be interested in determining $P(W_T = W_0 \cdot :8)$, i.e., the probability that you will have lost more than 20% of your wealth by time T . If this probability is unacceptably high then you need to adjust your portfolio to reduce this probability. There are a number of interesting and challenging questions that are related to risk management.

3. Portfolio Optimization

At the most basic level, portfolio optimization is the problem of choosing a *trading strategy* with the goal of optimizing some objective function that measures the performance of the portfolio. For example, you may wish to solve $\max \mu E[u(W_T)]$ subject to various constraints where μ is the (possibly dynamic) trading strategy, W_T is terminal wealth and $E[u(W_T)]$ is the objective function. Later in the course we will see how the problems of security pricing and portfolio optimization are intimately related.

There are of course many other problems and applications of financial engineering. They include problems in corporate finance (e.g. structuring deals, real options), accounting, applied mathematics (probability theory, control theory), economics and econometrics, and risk management more generally.

XII. COCLUSION

It has been long recognized that FM works without effective official discipline framework. In other words, regulation/supervision/enforcement tools have not simultaneously worked well in the case of structured finance during/before the crisis. To regulate some structured products have some limitations, but it seems that the instruments of regulation and supervision have failed in the case of financial engineering. We conclude however engineered products have important benefits to the global economy, regulatory/supervisory structure should be improved for better firm/system wide risk management. Secondly, there are four components to improve prudential regulatory/supervisory framework of structured products. Those are, timely/effectively action to the balance sheet problems, to increase the effectiveness of the risk management, to improve independence and quality of prudential regulation/supervision and to increase accountability of supervisors.

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