

# EMERGING INNOVATION IN SOCIAL SCIENCES

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# PREFACE

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*Social sciences are entering upon a new era in our country. Its activity and interest, in research has increased tenfold during the decade or so. This condition should become more extensive until every capable social scientist become conscious about doing his part, effectively, objectively, and with a spirit of dedication, social science organization should play an important part in ushering in this era of social sciences. The accumulation of various facts and figures on social science research reveals that, India is world's one of the oldest civilization and has one of the longest traditions of research.*

*Research is in every way as necessary and helpful to the study of social sciences as it is to that of Natural Sciences. Any discipline which claims our intellectual attention and has demonstrated its ability and potency will flourish and be effective and purposeful only if research is conducted in it. Without research the depth of social science will not be increased by discovery of new facts or by new interpretation of the existing known facts in the light of fresh discovery, new approaches, new methodology and experience. Social Research encompasses scientific investigations conducted the field of social sciences and also in behavioral sciences.*

*This book is designed to introduce budding researchers to the process of scientific research in the social sciences, business, education and related disciplines. The target audience for this book includes researchers, and professors teaching courses on research methods. Social sciences are expected to get reoriented in a manner to suit to the requirements of vested interests in the society. This Book Chapter analyzes the current trends in social science research and suggest measures to gear up the policies and institutions to accelerate the research process in a sustainable manner.*

## *Editors*

Dr. R. V. Suresh

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# THE INTEGRATION OF SOCIAL RESPONSIBILITY AND SUSTAINABILITY IN PRACTICE: EXPLORING ATTITUDES AND PRACTICES IN HIGHER EDUCATION INSTITUTIONS

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## ABSTRACT

Higher education institutions (HEIs) are under pressure to fulfil the long-standing social responsibility commitments that have been placed on them as well as deliver on the expectations that have been placed on them to provide sustainability programmes. The currently available corpus of research, as well as the combination of two related goals, may be challenging for a variety of reasons. There is a widespread misunderstanding of the separate objectives, as well as a general lack of comprehension of those agendas, which is one of these factors. This article analyzed the viewpoints held by higher education institutions (HEIs) as well as the activities that have been done by these institutions in respect to the integration of social responsibility and sustainability initiatives. This research sheds light on the continuing relative placement and relevance of economic variables, particularly in relation to differentiation rather than integration, in comparison to other aspects such as social responsibility and sustainability. In a theoretical sense, this research sheds light on the continuing relative placement and relevance of economic variables. The main objectives of the study was to study demographic nature of the sample respondents and to analyze the habituated behaviour around social responsibility and sustainability among staff members in higher educational institutions. The study has been carried out in Namakkal District which is one the educational hubs in Tamil Nadu. 200 college teachers were selected from the higher educational institutions using simple random technique. The questionnaires were circulated to the respondents through Google forms. Descriptive statistics were applied. The most important conclusion of this research is that it provides helpful insights into how higher education institutions might more closely integrate modern objectives that may be in competition with one another.

**Key words:** *Sustainability; Universities; Social Responsibility; higher Education institutions and Awareness*

## INTRODUCTION

Recently, there has been a significant shift in emphasis within higher education issues of ethics, Social Responsibility (SR), and environmental sustainability. Within an analytical framework of teaching and organizing for responsible individual and organizational learning, the concept of Responsible Management Learning and Education (RMLE) has been presented. RMLE encompasses those three topics as its fundamental dimensions, and it was introduced with those three topics as its fundamental dimensions. (Cullen, 2020)<sup>1</sup> These findings confirm a chain of events that led to indirect effects at the institutional level, beginning with the idealism of individual students and culminating in the social responsibility (SR) institutional involvement of a business school, which was mediated by the school's involvement in the environment. This chain of events began with the idealism of individual students and culminated in the social responsibility (SR) institutional involvement of a business school. At the time, they were described in terms of an educational environment that

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<sup>1</sup> Cullen (2020). "Varieties of responsible management learning: A review, typology and research agenda". *Journal of Business Ethics*, Vol. 162(4), pp.759-773

was in dire need of teaching and implementing ethics and social responsibility, as well as providing a more comprehensive social and economic impact. Moreover, they were said to be in desperate need of providing an ethical and socially responsible workforce. To put it another way, there was an extreme need for more study on these subjects. (Alsop, 2006)<sup>2</sup>. As part of a continuous pattern, higher education establishments are under increased pressure to include sustainable development into their operations. This pressure is the result of a number of events, regulations, and environmental goals that have occurred on a national and global scale. The purpose of this article was to explore the many ways in which these educational institutions have implemented sustainable practices on their campuses, experimented with novel concepts and technology, and amplified the lessons learnt across society and the economy. When it comes to the process of attaining sustainable development, essential resources that may be used include institutions of higher learning. In addition, in order for the lessons that were learnt to be effectively amplified to a larger community and economy and to aid in attaining national and international environmental objectives, it is required to make the most of the potential that these lessons have.

## THEORETICAL BACKGROUND

Sustainability science is a multi-disciplinary area of study that is also in the process of undergoing fast evolution. The discipline incorporates a variety of technological, biological, and social scientific problems. Because of this, it is exceedingly difficult to define a particular (sub) discipline of sustainability education and precisely explain how it is connected to other subjects that are analogous to or connected to it. As a consequence of the objective assessments of the published research that have been carried out, this is turning out to be more and more clear. (Cheeseman et al.)<sup>3</sup>, which do reflect an increasing interest in sustainability in higher education as an emerging topic, as well as the knowledge of its drivers and restrictions. On the other hand, they indicate that integration of various topics within the field (such as academic teaching and learning, research, the greening of the campus, and community outreach), both at the conceptual and practical (policy) levels, is still lacking. This is due to the fact that bottom-up initiatives frequently fail to provide the systematic approach and the top management support. This is due to the fact that several issues from within the discipline are integrated (such as academic teaching and learning, research, the greening of the campus, and community outreach) (Shawe et al., 2019)<sup>4</sup>. When looking at the academic teaching and practices of responsible management, one may see a similar misunderstanding of the function that environmental sustainability plays and its interaction with other disciplines that deal with comparable topics (The academic teaching and practices of responsible management, one can see a similar of the role that environmental sustainability plays and the relationship that it has with other fields of study that deal with similar subjects (Laasch et al.2020)<sup>5</sup>. Although different theoretical conceptualizations of this relationship have been developed historically, in this study, we follow the RMLE approach, and we consider sustainability and CSR to be integral and equal parts of the three ERS disciplinary domains. This is despite the fact that different theoretical conceptualizations of this relationship have been developed historically. This is done in spite of the fact that other methods have been used in earlier study. Calls to integrate the academic teaching and learning of corporate social responsibility (CSR), environmental sustainability, and sustainable development at the undergraduate level provide further support for our plan. It is common to consider these three subjects to be analogous to or connected to one another; nevertheless, they do not belong to the same areas nor are they arranged in the same manner.

## THEORETICAL APPROACHES TO CSR

Bowen (1953)<sup>6</sup> described that the requirement of these businesses to follow recognized standards for adopting responsibility when making choices or defining goals, demonstrating respect for society's values in the process.

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<sup>2</sup> Alsop (2006). "Business ethics education in business schools: A commentary". *Journal of Management Education*, Vol .30(1), pp. 11–14

<sup>3</sup> Cheeseman, Sharon Wright., Murray and McKenzi (2019). "Taking stock of sustainability in higher education: A review of the policy literature". *Environmental Education Research*, Vol. 25(12), pp.1697–1712

<sup>4</sup> Shawe., Horan, Moles and Regan (2019). "Mapping of sustainability policies and initiatives in higher education institutes". *Environmental Science and Policy*. Vol. 99, pp. 80–88

<sup>5</sup> Laasch, Moosmayer., Antonacopoulou, and Schaltegger (2020). "Constellations of trans disciplinary practices: A map and research agenda for the responsible management learning field". *Journal of Business Ethics*. Vol. 162(4), pp. 735–757

<sup>6</sup> Bowen, Howard (1953). "Social Responsibility of the Businessman". New York: Harper and Row.



Carroll (1979)<sup>7</sup> referred to as corporations moving beyond economic profitability and taking on social duties as an example of what is meant by the term "corporate responsibility." The quoted author put out a model that included four different CSR aspects that were dependent on one another. The first component focuses on the economy, and its major goal is to maximise profit via the tactical distribution of various commodities and services. The second problem is one of compatibility with the legal structures that are now in place. The final level is the philanthropic dimension, which consists of firms' voluntary involvement in socially responsible activities. The third component is ethics, which refers to corporate operations that conform to ethical principles, and the last level is the philanthropic dimension.

Santiso's (2020)<sup>8</sup> emphasized on the significance of students gaining transferable abilities such as problem-solving communication, and in a range of higher education settings. These talents may be used in a number of fields when students graduate from college. Colleges, both public and private, situated in the Czech Republic and Croatia are included in this category of institutions. Students are able to develop a more well-rounded understanding of global issues in society, such as racism and climate change, as a result of the emphasis placed on multiple fields of study, each of which has its own unique set of learning outcomes. This is made possible by the fact that students are exposed to a wider variety of subject areas (which can sometimes be in direct opposition to one another. A delay in the execution of the project might have a negative impact on the building business. An employee could be worried about the difficulty of the publics who were supposed to live at this location to locate adequate housing for themselves.

The debate on the new education paradigm has drawn significant insight and motivation from the conversation on sustainable development and social innovation. This innovative approach to education strives to integrate not only the conventionally taught information and abilities, such as the ability to solve problems, think critically, and work together, but also values such as creativity, innovation, and ethics into the learning environment. The transition toward education for sustainable development establishes a number of guiding principles, some of which are as follows: learning rather than teaching; lifelong and continuous rather than confined to a specified period of time; multi-sourced and accessed rather than top down, controlled, and orchestrated; empowering rather than socialising (indoctrinating); global while still being specific to a particular locale; Developing students' capacities for critical thinking and thinking critically requires capacity development..<sup>9</sup>

Walter Leal et al (2019)<sup>10</sup> conducted study on sustainable procurement in the public sector, and more specifically in educational institutions of higher learning, is relatively small (HEIs). In light of this, the purpose of this study is to provide a contribution to a developing line of research on the drivers and problems faced by higher education institutions and the degree to which these institutions endorse environmentally responsible purchasing policies and procedures. In other words, we want to find out how much higher education institutions support environmentally responsible purchasing policies and procedures. The results of this investigation are based on the results of a survey that was sent to higher education institutions (HEIs) located in every region of the world. The responses to the survey came from a network of sustainability practitioners and academics who are employed by these HEIs. The research team used vignettes and carried out a pilot study in order to develop the survey. Both of these methods took their cues from earlier research that had been carried out on research on enabling and inhibiting variables. Not only is it important, but the goal of the study is to shed light not only on the drivers, but also on the significant limitations that are preventing universities from implementing sustainable procurement. The data and the debate revealed barriers and enablers that had not been found before, and they also demonstrated that smaller higher education institutions had some ground to make up in order to compete on an equal level with their bigger counterparts. The talk addresses both suggestions for alterations to existing public policy and methods for overcoming barriers to the making of ecologically conscious purchases. These

<sup>7</sup> Carroll, Archie (1979). "A three-dimensional conceptual model of corporate performance". *Academy of Management Review*. Vol. 4, pp. 497–505.

<sup>8</sup> Rey-Garcia "Enhancing the effects of university education for sustainable development on social sustainability: The role of social capital and real-world learning". *International Journal of Sustainability in Higher Education*, Vol. 21 (7), pp. 1451–1476.

<sup>9</sup>Mota, and Oliveira (2014). "Combining innovation and sustainability: An educational paradigm for human development on earth. Brazilian". *Journal of Science and Technology*, Vol. 1 (2), pp. 10–12.

<sup>10</sup>Walter Leal Filhoa Antonis Skouloudisb Luciana Londero Brandlic Amanda Lange Salviac Lucas Veiga Avilad Lez Rayman-Bacchus (2019). "Sustainability and procurement practices in higher education institutions: Barriers and drivers". *Journal of Cleaner Production*, Vol. 231(10), pp. 1267-1280

revolve around the concept that institutions of higher education should consider adopting a reflexive approach to procurement buying policy and should make sure that there are adequate methods for putting it into action. Additionally, these institutions should ensure that there are adequate methods available.

Over the course of the last several years, the field of learning and practice has been placed under a significant amount of pressure as a consequence of a range of shifting political, economic, and technical developments. Vasilescu et al., (2010)<sup>11</sup>. The world is becoming more globalized, which means that higher education institutions are working to familiarize their methods in order to better meet the demands of this new environment. In addition, the mission of higher education institutions (HEIs) is to improve their administration and organizational structures in order to maximise the potential of their institutions. This is done in order to face the many difficulties that are offered by globalization, the progression of research in scientific and technology fields, innovation, and sustainable development. Educational institutions remain now in the process of adopting a range of modifications in order to solve the multiplicity of difficulties and problems that have recently appeared. The goal of these changes is to address the myriad of issues and problems that have lately emerged. Burchell et al.(2015)<sup>12</sup> universities are not only apprehensive with training activities anymore; rather, they continue to play an important role in the creation of the nation and the globe. This is because universities continue to play a significant role in the creation of the service of the nation. Higher education institutions have been effective up to this point in achieving their responsibilities with respect to the development of scientific research and the education of younger generations. Martí-Noguera, et al. (2017)<sup>13</sup> viewed that in light of the many problems that are being presented by the present circumstance, university is able to embody features that have an effect on influence as a result of the interchange that takes place with society in general and social partners in particular. Universities are seen by many businesses as an important center for the training of brilliant individuals who may one day work for the company. Latif(2017)<sup>14</sup> investigated that Higher education institutions are seen by the academic and administrative personnel as centers of knowledge that have the potential to solve effectively deal with the most complicated challenges.

## OBJECTIVES OF THE STUDY

The aims of the study are

1. To study demographic nature of the sample respondents
2. To analyze the habituated behaviour around social responsibility and sustainability among staff members in higher educational institutions

## RESEARCH METHODOLOGY

The study has been carried out in Namakkal District which is one the educational hubs in Tamil Nadu. 200 college teachers were selected from the higher educational institutions using simple random technique. The questionnaires were circulated to the respondents through Google forms. Descriptive statistics were applied

## FINDINGS, DISCUSSION AND RESULTS

### 1. Demographic nature of the respondents

The role of college teachers towards building the future of the nation through the young generation is very important. This study is attempting to understand their role or behaviour towards the social responsibility and sustainability among the staff members. Their behaviour will be influenced by their nature. In this context, the nature of the sample respondents is given below in Table 1.

<sup>11</sup>Vasilescu, Barna., Epure and Baicu, (2010). "Developing university social responsibility: A model for the challenges of the new civil society". *Procedia - Social and Behavioral Sciences*, Vol. 2(2), pp. 4177-4182

<sup>12</sup>Burchell, Kennedy and Murray (2015). "Responsible management education in UK business schools: Critically examining the role of the United Nations Principles for Responsible Management Education as a driver for change". *Management Learning*, Vol. 46(4), pp. 479-497

<sup>13</sup>Martí-Noguera.(2017) "About the Social Responsibility of Universities". *Revista Colombia de Ciencias Sociales*, Vol. 8(2): pp. 302- 309.

<sup>14</sup>Latif, K. F. (2017). "The Development and Validation of Stakeholder-Based Scale for Measuring University Social Responsibility (USR)". *In Social Indicators Research*. Vol. 140(2). pp. 9-11.

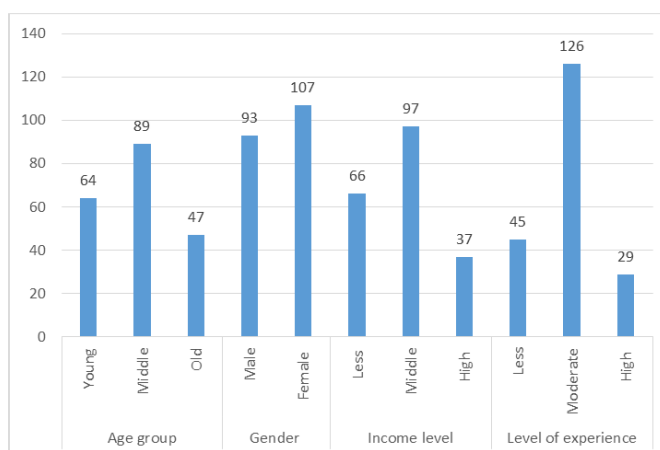
**Table 1: Demographic nature of the sample respondents**

Nature of the respondents		Number of respondents	Percentage
Age group	Young	64	32.0
	Middle	89	44.5
	Old	47	23.5
Gender	Male	93	46.5
	Female	107	53.5
Income level	Less	66	33.0
	Middle	97	48.5
	High	37	18.5
Level of experience	Less	45	22.5
	Moderate	126	63.0
	High	29	14.5
Total		200	100.0

It is found from the above table that 89 (44.5%) respondents are from middle age group (aged between 30 and 45), 64 (32.0%) are from the young age group (less than 30 years) and 47 (23.5%) belong to old age group (above 45 years). Majority of the respondents are female (53.5%) and rest of the 46.5% of the respondents are male.

The income level of the respondents shows that 97 (48.5%) respondents are from middle income group (salary between Rs. 30,000 and Rs. 60,000), 66 (33.0%) respondents' earning is less (less than Rs.30, 000 per month) and 37 (18.5%) respondents are earning more than Rs. 60,000 per month. The experience of the respondents shows that majority of them (63.0%) are moderately experienced (between 5 to 10 years), 45 (22.5%) respondents are less experienced (less than 5 years) and 29 (14.5%) respondents are having more than 10 years of experience. The information is presented in a chart below for simple understanding.

**Chart 1: Demographic nature of the respondents**



**2. Habituated behaviour of the teachers**

The main purpose of the study is to analyze the habituated behaviour of the teachers among them for sustainable and social responsibility. The teachers should have the social responsibility which has economic, social, community, ethical and environmental

**DESCRIPTIVE STATISTICS**

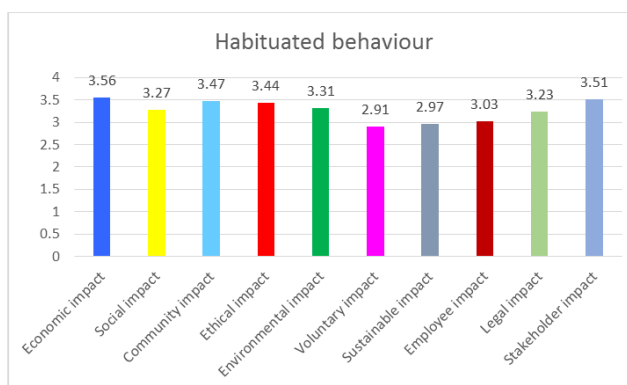
**Table 2: Habituated behaviour**

Habituated behaviour	Mean	Std. Deviation	Variance	Rank
Economic impact	3.56	1.137	1.293	I
Social impact	3.27	1.151	1.324	VI
Community impact	3.47	1.334	1.778	III

Ethical impact	3.44	1.184	1.403	IV
Environmental impact	3.31	1.122	1.258	V
Voluntary impact	2.91	1.170	1.369	X
Sustainable impact	2.97	1.435	2.059	IX
Employee impact	3.03	1.171	1.371	VIII
Legal impact	3.23	1.107	1.226	VII
Stakeholder impact	3.51	1.252	1.568	II

The result from the Table2 reveals that the teachers feel economic impact of their profession on the young generation is more (3.56). Importance of stakeholder like government and other organizations is found most valuable in their profession (3.51). The respondents also opined that they have community impact which influence social responsibility (3.47). Ethical impact (3.44), environmental impact (3.31) and social impact (3.27) have been ranked fourth, fifth and sixth. Legal impact (3.23), employee impact (3.03), sustainable impact (2.97) and voluntary impacts are also found by their profession with social responsibility. The result is depicted in the following chart.

**Chart 2**



## CONCLUSION

In today's world, sustainability has emerged as one of the most pressing concerns for HEIs. The extra-financial component as part of the management goals, in order to boost the environmental and social performance of the aforementioned institutions. Initiatives that fall under the category of "Research and Development-Innovation" (RDI) are increasingly being requested to be used by educational institutions in order to address problems and challenges that are associated with sustainable development. This is due to the fact that colleges are now confronted with a wide variety of social and environmental concerns. The purpose of this article was to deliberate the challenge of incorporating social practices into higher education institutions (HEIs). The researcher examined stakeholders as two significant aspects for the incorporation of socially responsible practices in higher education institutions (HEIs). It is essential to have a combination of top-down and topmost processes in order to improve effectiveness, and the backing of management is necessary if one hopes to achieve effective long-term sustainable development.

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## A STUDY ON IMPACT OF FINANCIAL INCLUSION INITIATIVES AMONG RURAL ACCOUNT HOLDERS

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### ABSTRACT

Financial Inclusion is essential to enable inclusive growth. Financial Inclusion plays a significant role in providing avenues to the poor for bridging their savings into the financial system. The efforts to have financial inclusion is to up-lift poor, deprived and excluded section of the society to make them financially viable and bring them at equal platform where they can be benefited and they can also contribute to national growth. During post reform period many programmes were launched by the Government and RBI to reach the objectives of financial inclusion. Financial inclusion is emerging as a new paradigm of economic growth that plays major role in driving away the poverty from the country. Financial inclusion is important priority of the country in terms of economic growth and advancement of society. It enables to reduce the gap between rich and poor population. In the current scenario financial institutions are the robust pillars of progress, economic growth and development of the economy. The key objective of this study is to assess the current status of financial inclusion to measure the awareness of the rural people towards the government initiative programmes and to analyze the relationship between the nature of the rural people and the awareness about Digitalization of SHGs – ESHAKTI, SwabhimanYojna and Pradhan Mantri Jan DhanYojna. The role of the government for inclusive growth of the nation starts with the rural development. For the success of the initiative is laid down based on the awareness among the rural people. This study has been carried out in Erode during the month of March 2022. 600 sample respondents were selected from the rural area using convenient sampling method. Well-structured interview schedule has been used to measure the awareness of the people towards the financial inclusion programmes.

**Keywords:** Financial Inclusion, Government Measures for Financial Inclusion, Progress of Financial Inclusion, PMJDY, and Financial Initiatives.

### INTRODUCTION

Any country that is still in the process of developing relies heavily on its financial industry. In order to guarantee the nation's ongoing economic progress, the primary emphasis must be on fostering economic expansion while maintaining a stable standard of living for all of the country's residents. As a result, economic development that is inclusive of segments of society requires the financial inclusion. To put it another way, the goal of financial inclusion is to find a solution to the problem of limited access to financial services for the rural population of India. In order for a country to achieve a level of development that is both comprehensive and balanced, it is imperative that all sectors of the general public be brought under the umbrella of banking and financial services. This is the only way in which a country can realize its ultimate goal of making its economy both sustainable and productive. In the current situation, the focus of the financial institution in India is restricted to the assuring of a bare-bones minimum access to a savings bank account for everyone. This is the only service that is provided. On a global scale, the concept of financial inclusion has been seen from a far more comprehensive perspective. The efforts that are being made toward "financial inclusion" should at the very least provide access to a variety of financial services, such as savings, long and short term credit, insurance, pensions, mortgages, money transfers, and so on, and they should do all of this at a price that is affordable. The concepts

of financial inclusion and financial literacy may be compared to two sides of the same coin. When there is financial inclusion, it actually provides the financial services and items that the general population requests and acts upon from the supply side, whereas when there is financial literacy, it assists the general population in becoming aware of these items and makes them conscious of what they can request and act upon from the interest side. For the most part, financial inclusion refers to the process of expanding access to financing or financial facilities at a reasonable cost for a large number of disadvantaged people who are a part of the general public. This can provide these individuals with a financial cushion for their provisions in addition to social enablement. The term "financial literacy" is often spoken in context with discussions about individuals struggling with their own finances. Familiarity with finances, engaging in financial activities, and taking a financial attitude are all different levels of financial literacy. Participation from each and every individual in the operational functioning of the nation's monetary system is crucial for its survival as a viable economic structure. The financial system is designed to accommodate the needs of both those who lack sufficient funds and those who have more than they need. The most straightforward way to enter the financial system is via the practice of banking.

## STUDIES ON FINANCIAL INCLUSION

Dangi (2012)<sup>1</sup> reviewed the activities carried out and the choices made by the RBI. In addition to this, the study focuses on the current level of financial inclusion in India as well as its potential for expansion in the years to come. It has been determined that the implementation of financial inclusion results in significant and progressive improvements. Nevertheless, the business model should have appropriate safeguards to ensure that customers with low incomes are not discouraged from using banking services. Agrawal(2008)<sup>2</sup> studied the financial inclusion from the standpoint of both supply and demand at the end of the day. According to the results, an evaluation from the perspective provided the option for decision-makers and marketers to strategically integrate their approach with the element. Previously, they had limited their thoughts to economic analyses, but now they may do so more effectively. The provision of the scope necessary for such alignment made this accomplishment possible. On the other hand, the Reserve Bank of India's (RBI's) policy of financial inclusion in 2003, which aimed to give access to financial service to the poor, could be seen as another daring move in servicing the rural transects with the goal of inclusive growth. This policy was intended to give access to financial service to those who were previously excluded from it. In the year 2008, a committee called the Committee for Financial Inclusion was established.

The Rangarajan Committee reached the conclusion that it was essential to include previously excluded groups of the population financial system in order to maintain and increase the momentum of development. This conclusion was reached in order to keep the momentum of development moving forward. The committee had proposed a number of different strategies in order to achieve the objective, such as the creation of a national mission on financial inclusion, the reinvigoration of RRBs and cooperatives, the introduction of the MFI model (which would create a link between SHGs and banks), and the Business Facilitator and Business Correspondents Model. Both Mukherjee and Chakraborty (2012)<sup>3</sup> conducted research on the capacity and role of institutions such as regional rural banks (RRBs), self-help groups (SHGs), and non-banking financial companies (NBFCs) for the purpose of expanding access to financial services in the state of Jharkhand. The research focused on the role and effectiveness of commercial banks in the state. The findings of the research indicated that banks were not able to accomplish the goals that were set out for them. The study recommended that each bank provide the RBI with more regular updates on the progress it has made toward the goal of increasing financial inclusion. The findings of the research indicated that banks were not able to accomplish the goals that were set out for them. Uma and Rupa(2013)<sup>4</sup> looked into the function that SHGs play in the process of achieving

<sup>1</sup>Dangi, V. (2012). Financial Inclusion: A Saga of Indian Financial System. *Asia-Pacific Journal of Management Research and Innovation*, 8(2), 111-125

<sup>2</sup> Agrawal, A. (2008). The need for Financial Inclusion with an Indian perspective. *Economic Research*, 1–10

<sup>3</sup> Chakraborty, S. (2012). Financial inclusion of the poor and marginalized in Jharkhand: Analysis of the existing model. *International Journal on Research and Development: A Management Review*, 1(1), 42-48

<sup>4</sup> Uma, H.R. and Rupa, K. N. (2013). The role of SHGS in financial inclusion: A case study. *International Journal of Scientific and Research Publications*. 3(6), 1–5

financial inclusion came to the conclusion that there is a strong link between involvement in SHGs and achieving financial inclusion. According to the findings of the study, membership in SHGs is associated with an increase in the number of bank accounts opened by members, as well as a favourable trend in the amount of credit obtained by members and the amount repaid annually on loans. In addition, the number of bank accounts opened by members is associated with an increase in the amount of credit obtained by members. Varghese and Joseph both (2014)<sup>5</sup> evaluated the effect that increased financial inclusion had on the expansion of the Indian economy as assessed by the rate at which banks extended their operations in terms of the number of bank branches, the number of individuals using debit and credit cards, and the number of people using credit cards. The usage of debit cards was found to have significantly grown during the course of the research period, which resulted in a reduction in the number of persons who had access to the goods and services provided by the banking system. This is despite the fact that access to banking goods and services remains relatively restricted years after inclusive banking programmes were first implemented in the nation. Paramasivan and Ganesh Kumar (2013)<sup>6</sup> concluded that the analysis of the state of inclusion in India came to the conclusion that the number of branches available to customers has a major bearing on financial inclusion..

### NEED OF FINANCIAL INCLUSION IN INDIA:

It is possible that the resource base of the Indian financial system might be enhanced via the process of financial inclusion, which also has the potential to cultivate a culture of saving among a significant percentage of the rural people in India. Additionally, the supply of financial services to low-income groups supports these groups in protecting their financial value and making it accessible to fulfil any immediate requirements that may occur. This is an additional benefit of the provision of financial services.

1. **Formal credit:** In order to fulfil their financial commitments for the time being, a sizeable portion of the population that does not have authorized access to credit must rely on members of their own families and social networks in addition to those who lend money. This is because they do not have authorized access to credit. With the support of official banking channels, people from lower income groups will be able to stabilize their livelihoods and make changes to their living situations, which will lead to an overall increase in their quality of life.
2. **Habit of saving money:** The expansion of any nation requires the establishment of a fiscal system that is both sturdy and healthy. The initiative taken by the government of India to promote financial inclusion has as its primary objective the growth of the country's pool of available financial resources. This will be accomplished by encouraging all citizens of India to open bank accounts and, as a consequence of this action, to cultivate the saving money.
3. **Subsidies and welfare programme:** It presents a huge challenge for the government as a considerable portion of the sums of money that are allocated to different programmes with the intention of benefiting rural communities do not really reach those populations. If every individual who lives in a rural area has their very own bank account, the process of distributing monies will be brisk and open to the inspection of the general public. As a consequence of this, the government has decided to deposit predetermined amounts of cash directly into the bank accounts of those individuals who are qualified for the programme.
4. **Analysis of Government Schemes: Financial Inclusion:** The term "financial inclusion" is used in the context of banking and finance to describe the process of making banking and financial goods and services accessible to all members of a society, without regard to any kind of discrimination. Its principal focus is on protecting economically disadvantaged segments of the population from being subjected to unfair treatment, while at the same time offering economically disadvantaged segments of society viable financial options. In recent years, the government has established a wide array of forward-thinking programmes and laws in an attempt to increase the number of people who have access to financial

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<sup>5</sup> Joseph and Varghese (2014). Role of Financial Inclusion in the Development of Indian Economy. *Journal of Economics and Sustainable Development*. 5(11), 6–15.

<sup>6</sup> Paramasivan, C., & Ganeshkumar, V. (2013). Overview of financial inclusion in India. *International Journal of Management and development studies*, 2(3), 45-49

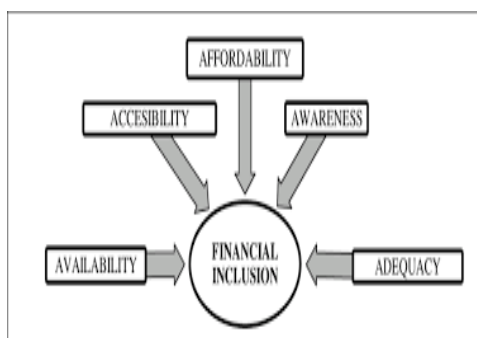


services. These programmes are aimed towards the less fortunate elements of society in order to provide social security for those individuals, and the target audience for these programmes is such individuals. As a direct result of extensive planning and research carried out by a number of officials and professionals working in the financial sector, the government has launched a number of programmes with the intention of expanding the population's access to various forms of financial assistance. These programmes fall under a broad category known as financial inclusion.

#### GOVERNMENT SCHEMES: FINANCIAL INCLUSION

- i) **Pradhan Mantri Kaushal Vikas Yojana** is a training programme with the goal of enhancing the capabilities of the young people of India over the course of a certain amount of time. It will assist the younger generation find better jobs and improve their standard of living. They are able to get skilled hand certifications with the assistance of the plan. In order to facilitate the creation of a consistent method for talent cultivation, the agency in charge of implementation will have a third party conduct an evaluation of the training requirements. The fact that this will assist to establish a pool of skilled workers according to the unique requirements of the 43 industries is one of the reasons why this is such an essential aspect. India is considered to be a developing nation. The country of India's most valuable resource is its young people. A crucial need for India is to maximise the potential of its young population. The cultivation of skills is one of these goals, and it may be attained by participation in any of the core programmes. The programme is beneficial to the Indian economy in a number of ways, including the provision of services to the general public and the provision of employment chances to unemployed young people who meet the necessary qualifications. The Pradhan Mantra Yrushi Visas Yamane (PMKVY) scumbag is the Ministry of Skill Development and Entrepreneurship's (MSDE's) flagship scumbag (MSDE). This Skill Cortication Scheme's objective is to make it possible for a large number of young people in India to participate in skill training that is relevant to their respective industries and ultimately improve their standard of living. As part of the Recognition of Previous Learning programme, individuals who already have some level of prior learning experience or talents will be evaluated and certified (RPL). As part of this programme, the government will foot the bill for all expenditures associated with training and evaluation. Only seven Pradhan mantra kasha spikes yogini training counters can be found in the Vidjayapura district. Excrete features a number of artists, including End Ate Vijay Urea City, Shindig, and Negate. As can be seen in the table to the right, the electronic sector council, the logistics council, and the talent council of the Merchants Association each have three members. However, the talent council of the Merchants Association only has one member. On the third story are the first four reed training centers, and on the fourth floor are the remaining training centers. Every training facility wastes around 320 hours during the course of a six-month period<sup>7</sup>.
- ii) **Swabhiman Yojna**: In February 2011, the then UPA government launched Swabhiman scheme with an objective to increase rural participation in the financial sector. The scheme placed itself an ambitious target to cover all rural habitations above the population of 2000 with banking access. This was, in some ways, an extension to previous RBI efforts to create Business Correspondents who would work as a conduit between a formal banking unit and remote areas seeking formal banking presence. In one year's time, according to government claims, the scheme had covered 73,000 such habitations under its umbrella. The scheme later rescheduled itself by seeking to cover habitations above 1000 population. This was to cover hilly tracts where different parameters are applied in terms of population density. Similarly for other remote regions, Swabhiman continues to be in operation and has had substantial levels of success, particularly in states like Jammu & Kashmir. However, one must admit that the recently launched Prime Minister Jan Dhan Yojna has taken a lot of sheen out of Swabhiman campaign because the former has chosen to target poor households in urban areas too. This means spreading the ambit of scope and reaching out to low hanging fruit as well.

<sup>7</sup> <https://pmjdy.gov.in/account>



### STATEMENT OF THE PROBLEM

By assisting in the collection of funds and teaching consumers on the most effective ways to handle those funds, banks play an important part in the overall mission of expanding access to financial services. Banks created a variety of distinct strategies and programmes in order to bring a greater number of individuals, especially those living in rural regions, within the umbrella of financial inclusion. In spite of these efforts, the vast majority of individuals living in rural regions continue to depend on the unorganized sector in order to meet their financial obligations. Therefore, the purpose of the research is to find out what kinds of barriers individuals in Erode come up against while trying to obtain banking services.

### THE KEY AIM OF THIS STUDY IS TO ASSESS THE CURRENT STATUS OF FINANCIAL INCLUSION

The study is focusing on analysing further

1. To measure the awareness of the rural people towards the government initiative programmes.
2. To analyze the relationship between the nature of the rural people and the awareness about Digitalization of SHGs – ESHAKTI, SwabhimanYojna and Pradhan Mantri Jan DhanYojna.

### RESEARCH METHODOLOGY

The role of the government for inclusive growth of the nation starts with the rural development. For the success of the initiative programmes is laid down based on the awareness among the rural people. This study has been carried out in Erode during the month of March 2022. 600 sample respondents were selected from the rural area using convenient sampling method. Well-structured interview schedule has been used to measure the awareness of the people towards the financial inclusion programmes.

### FINDINGS

#### 1. Socio-economic nature of the rural people

The socio-economic characteristics of the people influence their behaviour and attitude. The nature of the respondents of the study is given below as age, gender, educational status, occupation and family size.

**Table 1: Socio-economic characteristics**

Socio-Economic characteristics		Frequency	Percent
Age	Young	200	33.3
	Middle	258	43.0
	Old	142	23.7
Gender	Female	276	46.0
	Male	324	54.0
Educational qualification	School level	59	9.8
	UG	258	43.0
	PG	173	28.8
	Others	110	18.3
Occupation	Agriculture	248	41.3
	Employed	96	16.0

	House wife	36	6.0
	Businessmen	50	8.3
	Others	170	28.3
Family size	Small	380	63.3
	Big	220	36.7
Total		600	100.0

The above table indicates that 258 (43.0%) respondents are from the middle age group, 200 (33.3%) respondents from the young age group and 142 (23.7%) are from the old age group. The gender classification shows that majority (54.0%) is male and the rest of the 46.0% of the respondents are female. 258 (43.0%) respondents are under graduates, 173 (28.8%) respondents are post graduates, 110 (18.3%) respondents are from other categories and 59 (9.8%) respondents have studied upto school level.

248 (41.3%) respondents from the rural area are doing farming activities, 170 (28.3%) respondents from other categories, 96 (16.0%) respondents are working in government and private organizations, 50 (8.3%) respondents are businessmen and 36 (6.0%) are housewives. According to size of the family, 380 (63.3%) respondents belong to the small family and 220 (36.7%) are from the big family.

## 2. Awareness about the financial inclusion

The awareness of the rural people towards the financial inclusion is the key factor to make it successful. The government efforts for the inclusion growth can be easily achieved through the level of awareness. Here, the awareness of the respondents towards the financial inclusion is analyzed with the nature of the respondents.

**Table 2: Difference in awareness level according to the nature of the respondents**

Socio-economic characteristics		N	Mean	Std. Deviation	F/Z	Sig.
Age	Young	200	18.7000	4.71073	0.934	0.394
	Middle	258	19.3101	4.76580		
	Old	142	19.0352	4.72718		
Gender	Female	276	18.5254	5.06353	-2.474	0.014
	Male	324	19.4815	4.40197		
Educational qualification	School level	59	17.1695	4.32376	8.295	0.000
	UG	258	18.7093	4.81858		
	PG	173	19.1214	4.70678		
	Others	110	20.7000	4.33156		
Occupational status	Agriculture	248	19.0847	4.66151	0.312	0.870
	Employed	96	18.8021	5.54716		
	House wife	36	19.8056	4.37408		
	Businessmen	50	19.0200	3.77148		
	Others	170	18.9588	4.71728		
Family size	Small	380	18.6553	4.80101	-2.639	0.009
	Big	220	19.7091	4.56079		
Total		600	19.0417	4.73786		

The awareness is of the middle age group respondents is found high (19.3101) and young age group respondents have less awareness (18.7000). But the difference in the awareness is not significant (F-0.934; p-0.394). The gender wise awareness level towards the financial inclusion shows that male (19.4815) are well aware and female (18.5254) have less aware. The Z value is (-2.474) less than -1.96 and p value (0.014) show that male respondents are more aware about the government initiatives for the inclusive growth.

The respondents from other category of education are well aware (20.7000) and the awareness is found less with the respondents who have studied school level (17.1695). The result of the ANOVA shows that the difference is significant (p-0.000). It is concluded from the result that higher level of education increases awareness level. The respondents doing business have more awareness (19.8056) and employees have less awareness (18.8021) towards the financial inclusion. But the difference in the mean does not show a significant difference (p-0.870). The awareness of the respondents from the big family is more (19.7091) and it is found less with the respondents from the small family (18.6553). The result of the Z test proves that the calculated value (-2.639) is significant and p is 0.009 (<0.01). It is concluded that the awareness level of the respondents from the big family is more about the financial inclusive programme.

### 3. The relationship between awareness about the three schemes and the gender

The major government schemes for the financial inclusion through the rural developments are considered and the awareness of the respondents towards the schemes according to their gender is analyzed with the help of Chi-Square test.

#### i) Digitalization of SHGs – ESHAKTI

It is initiated by the central government for the rural development. From the result of the 5 point Likert scale, the cross table is prepared.

**Table 3: Gender and level of awareness towards ESHAKTI scheme**

Gender	Level of awareness					Total
	Very high	High	Moderate	Less	Very less	
Female	20	6	59	28	163	276
	7.2%	2.2%	21.4%	10.1%	59.1%	100.0%
Male	28	19	69	46	162	324
	8.6%	5.9%	21.3%	14.2%	50.0%	100.0%
Total	48	25	128	74	325	600
	8.0%	4.2%	21.3%	12.3%	54.2%	100.0%

Chi-Square value – 9.152; df – 4; Sig – 0.053

The majority of the respondents (54.2%) are very less aware about the scheme. Based on the gender, the female respondents (59.1%) and male respondents (50.0%) are very less aware. the percentage of the respondents from both gender in each categories are almost same. Hence, the calculated Chi-Square value (9.152) for the degree of freedom 4 is insignificant ( $p=0.053>0.05$ ). It is concluded that there is no significant association between the gender of the respondents and their awareness level towards ESHAKTI scheme.

#### ii) SwabhimanYojna

This scheme was introduced to promote the participation of the rural people in financial sector. The awareness towards the programme is analyzed with the gender. The result is given below.

**Table 4: Gender and level of awareness towards SwabhimanYojna scheme**

Gender	Level of awareness					Total
	Very high	High	Moderate	Less	Very less	
Female	13	91	88	48	36	276
	4.7%	33.0%	31.9%	17.4%	13.0%	100.0%
Male	20	108	85	79	32	324
	6.2%	33.3%	26.2%	24.4%	9.9%	100.0%
Total	33	199	173	127	68	600
	5.5%	33.2%	28.8%	21.2%	11.3%	100.0%

Chi-Square value – 6.996; df – 4; Sig – 0.136

The percentages of respondents from both genders in each category of awareness are almost same. High percentages of male and female respondents are highly aware (33%) and less percentage of respondents is found in very high awareness level. Hence, the Chi-Square test shows that Chi-Square value (6.996) for the degree of freedom 4 is less than expected level. Hence, the probability value is found at 13.6%. It is concluded that both male and female respondents have same level of awareness towards the SwabhimanYojna scheme.

#### iii) Pradhan Mantri Jan DhanYojna

Pradhan Mantri Jan DhanYojna has also been introduced for the development of rural area people. The awareness of the people is tested as below.

**Table 5: Gender and level of awareness towards Pradhan Mantri Jan DhanYojna**

Gender	Level of awareness					Total
	Very high	High	Moderate	Less	Very less	
Female	57	52	53	93	21	276

	20.7%	18.8%	19.2%	33.7%	7.6%	100.0%
Male	40	44	92	98	50	324
	12.3%	13.6%	28.4%	30.2%	15.4%	100.0%
Total	97	96	145	191	71	600
	16.2%	16.0%	24.2%	31.8%	11.8%	100.0%

Chi-Square value – 22.415; df – 4; Sig – 0.000

The above table shows that 20.7% of the female respondents and 12.3% of the male respondents are very high aware about the scheme, whereas, 15.4% of the male and 7.6% of the female respondents are very less aware. But high percentage of the respondents from male (30.2%) and female (33.7%) are less aware. Significant relationship between the gender is found across the level of awareness. The Chi-Square value is 22.415 for the degree of freedom 4. The p value (0.000) shows a significance level at 1%. Hence, it is concluded that the females are highly aware about the Pradhan Mantri Jan DhanYojna than males. The study found that the male people, the people belong to other educational group and the big family are highly aware about the financial inclusion initiatives of the government. The female respondents are highly aware about Pradhan Mantri Jan DhanYojna scheme than male respondents.

## CONCLUSION

The banks play in terms of the mobilization distribution of loans for investment is a particularly essential one in economies that are still in the process of rising, such as India's. Banks, in their capacity as financial intermediaries, make a significant contribution to the expansion of the national economy by selecting those business owners who have the greatest likelihood of successfully launching new commercial and providing loans to such individuals. This allows the banks to select those individuals who have the greatest likelihood of successfully launching new commercial endeavors. A country's population that is economically disadvantaged has the potential to see considerable improvements in both their current economic status and their level of living provided they have access to financial resources. A functional financial system that is inclusive is necessary for the nation's economy to achieve success, and this system must be accessible to all. This may be done by expanding the percentage of the population that has access to financial services, installing new ATMs, and implementing a range of programmes all across the country. The provision of high-quality financial services in rural areas is an urgent necessity for the growth of the economy. This is due to the fact that it will make it possible for families living in rural areas to better support the expansion of their livelihoods. The government of India has made a deliberate effort to broaden the population's access to financial services, and those efforts have been received with a favourable reaction thus far. Even while there has been progress made toward broadening people's access to financial services, there is still a segment of the country that is falling farther and further behind. Additionally, the fast increasing development of technology has been a vital contributor to the reduction of the country's expanding economic disparity. This has been the case as the country has been able to close the gap in recent years. Mobile banking, automated teller machines, and the Immediate Payment Service (IMPS) are all forms of banking that are gaining popularity among customers. In a nutshell, we may draw the conclusion that India is making rapid progress toward its goal of attaining financial inclusion. This progress can be accelerated via the concerted efforts of the Indian government, the Reserve Bank of India, and the people of India.

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# THE PANDEMIC CONSEQUENCE ON THE TOURISM ENTREPRENEURS WITH REFERENCE TO TAMIL NADU

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## ABSTRACT

Entrepreneurship is typically seen by economists as one of the most crucial aspects for contributing to the growth of an economy, and this view is particularly prevalent among economists working in nations whose economies are still in the process of developing. Because tourism is one of the economic sectors that is growing at the fastest pace and is closely related to the development of the majority of nations that are still in the process of becoming developed, tourism is becoming increasingly important. The tourism business in India is an important contributor to the Gross Domestic Product (GDP) of the country and a substantial source of earnings in foreign currency. Due to the fact that it is possible to incorporate a diverse range of subject areas, such as the development of new technologies, the study of economic geography, and the examination of shifting cultural norms, tourist entrepreneurship is a popular issue for academic research. The main Objectives of the was to study the problems of the hotel industry during the pandemic and to find the solution to the problems of hotel industry in the study area. It is an empirical study made in Kodaikkanal, Tamil Nadu. The study is to analyze the problem of pandemic in the tourism industry with reference to the hotel industry in the tourist places. For which 100 sample respondents are selected and data are collected using survey method with the help of interview schedule. The author indicated that in order to be successful in the tourism industry, individual should put in a lot of effort and have strong management skills, and their primary emphasis and perspective on the company is that of a pilgrimage visitor.

**Keywords:** *Tourism Entrepreneurs, recovery, alternative strategies and economic development*

## INTRODUCTION

Midway through the month of December in 2019, the first epidemic of a new coronavirus (COVID-19) was detected. Due to the fact that the virus has a long latency period and exhibits symptoms that are comparable to those of the seasonal flu, distinguishing between the two illnesses can be challenging. The fast spread of COVID-19 was further exacerbated by the Chinese Spring Festival, which is an occasion when Chinese individuals travel great distances to be with their family. Late in the month of January 2020, all of the cities in China started to implement stringent preventative measures, such as instructions to remain indoors and the closure of companies that were deemed to be non-essential (Yang, Zhang, & Chen, 2020)<sup>1</sup>. The fall in travel across China for both business and leisure purposes has been disastrous for the tourist industry, which as a consequence has seen a stifling of demand as well as a steep drop in cash flow. In the context of the travel and tourism industry, the literature on crisis management has investigated best practices for the industry's reaction to a variety of catastrophes, including financial crises, natural disasters, terrorist attacks, and infectious disease

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<sup>1</sup> Yang Y., Zhang H., Chen X. (2020), Coronavirus pandemic and tourism: Dynamic stochastic general equilibrium modeling of infectious disease outbreak. *Annals of Tourism Research*. 8, pp. 102-113

epidemics. These calamities can have a negative impact on the sector. (Jin, Qu).<sup>2</sup> However, because of the breadth and depth of COVID-19, this pandemic has brought about challenges that were not anticipated for businesses that are related to tourism, particularly those that are small and medium-sized. For the purpose of this investigation, we conducted a survey throughout the whole of Jiangxi Province in China, which is Wuhan's adjacent province. The poll asked about enterprises associated to tourism. On the basis of this data, we decided to employ a mixed-effects (ordered) legit model in order to outline the elements that shape the self-evaluated impacts, crisis reaction, social responsibility behaviour (SRB), and expected government actions of firms. As a result, we have contributed to the expanding body of knowledge in the field of crisis management by providing an up-to-date perspective on the effects of the epidemic on company operations. Our findings also contribute to the body of literature on crisis management by elucidating the vulnerability of tourism-related businesses during the pandemic and outlining potential best practices in terms of government policies using a policy positioning matrix. These contributions were made possible by the findings of this study.

### **PANDEMIC CONSEQUENCE ON THE TOURISM ENTREPRENEURS- AN OVERVIEW**

One of the primary businesses that was severely impacted by the COVID-19 epidemic, which had an effect on the business owners of that industry, is tourism. As a result, the purpose of this study is to investigate the strategies that rural tourism business owners utilised to maintain their level of competition throughout the outbreak. The phenomenological approach was used in the conduct of this study, which was carried out utilizing a qualitative research methodology. The data analysis made use of the standard approach, which included coding, sorting, and synthesis of the information. According to the findings, rural business owners are facing a significant number of difficulties during the pandemic, and these difficulties tend to have persisted for a greater amount of time. The tasks were organized around the concepts of ongoing difficulties caused by the epidemic and potential dangers posed by tourism. The challenges that are now being faced may be broken down into three categories: difficulties in internal operations; external hurdles for progress; and an insufficient amount of motivation. The concepts of risk to the health and safety of hotels and the potential for unpleasant events were the inspiration for developing the concept of potential dangers posed by tourism. The hopeful rural entrepreneurs are putting their efforts into achieving a competitive edge and attempting to cope with obstacles in order to ensure the continuation of their hotels. Despite these hurdles, the rural entrepreneurs remain optimistic. As a result, this research unearthed the seriousness of problems that rural business owners face, which are not addressed in the sum total of macro level studies, and these problems are also pertinent to rural business owners' overall entrepreneurial networks.

As the pioneers of the tourist sector and the driving force behind regional advancement, business owners play a significant part in the maintenance of rural tourism as well as the creation of strategies that are environmentally friendly. However, there are obstacles that must be overcome in order to force entrepreneurial marketing into retrograde mobilization, which is fragile for economic development. Siemens (2007)<sup>3</sup> claimed that operations that are located in metropolitan areas do not encounter the problems related with their location that are confronted by enterprises that are located in rural locations. Some examples of these difficulties include a dearth of paved roads, restricted access to financial services and energy, and inadequately developed infrastructure. In addition to this, tourism is one of the fast growth industries that is gravely impacted by a lack of skilled workers (UNWTO, 2019)<sup>4</sup>. Because tourism in rural areas is one of the businesses with the highest degree of competition, it is clear that exploring the many opportunities for gaining a competitive edge is essential. In the meantime, business owners who are involved in rural tourism implement cutting-edge strategies to strengthen their companies' positions in the market. In the meantime, business owners are having a hard time overcoming obstacles in order to maintain their growth and maintain their viability amidst the intense competition on the

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<sup>2</sup> Jin X., Qu M., Bao J. (2019) Impact of crisis events on Chinese outbound tourist flow: A framework for post-events growth. *Tourism Management*. 7, pp. 334–344.

<sup>3</sup> Siemens, L. (2007). Challenges faced by rural remote tourism businesses on Vancouver Island: An exploratory study, Malaspina University College.

<sup>4</sup> United Nations World Tourism Organization (UNWTO) (2019). The future of work and skills development in tourism. Policy Paper



market<sup>5</sup>. They are now unable to escape the COVID-19 epidemic, which has many negative effects on their enterprises and is preventing them from moving forward. In light of this, the purpose of this research is to investigate the difficulties that rural tourist business owner's face and the methods that they use to address these difficulties during the COVID-19 epidemic.

### **TOURISM IS A TOOL FOR THE ECONOMIC DEVELOPMENT OF ANY COUNTRY IN THE WORLD.**

In point of fact, tourism in the broadest sense of the term helps to the growth of civilization in a number of ways across all of its stages. These contributions may be broken down into four categories: The word "tourism" has been used to refer to many different pursuits and ways of thinking over the course of human history. At an early era in the development of mankind, travelling was seen to be a normal way of life. During the second stage of the growth of tourism, the importance of religious character became increasingly noticeable to the general public. It has been tied to the concept of pleasure in recent history as well as in the contemporary day. There are a great number of countries all over the world that get the majority of their income from the tourist industry, making it their most significant source of foreign currency. Because of the good impacts that it has on the economy of the destination, it creates opportunities for employment and contributes to the reduction of the economic disparities that now exist between the various areas of the country. Because it is both one of the most major and one of the most diversified forms of industry in the region, it contributes to the continued health of the economy in this area. In the same vein, it increases the purchasing power of the natives in the target region, which, in turn, leads to an improvement in the standard of living experienced by the locals who make their homes there. It has been shown that the tourist sector may be classified as a service industry. Because tourism is a phenomenon that happens on a global scale, the service sector need human resources who are knowledgeable and have received an adequate amount of training in order to satisfy the requirements of customers who are situated in different parts of the globe. Visitors, both domestic and international, would remain for longer periods of time and spend more money at the different tourist spots if they were offered high-quality services. This would apply to both domestic and international tourists.

The expansion of the destination's economy, which is dependent on tourism, is contingent on a consistent flow of money from tourists to the organizations that host them in exchange for a variety of services. Additionally, it will raise people's awareness of the social issues, economic issues, and environmental issues that are present in the region. When tourism is heavily pushed throughout the country, regional disparities will be reduced, the standard of living will improve, and most significantly, the nation as a whole will see economic expansion<sup>6</sup>. The bulk of the world's rising countries are now facing a number of different issues. Along with unemployment, a lack of capital investment in equality and imbalances, and the inability of the central and federal governments to make effective use of the country's enormous natural and human resources, illiteracy, poverty, and a low per capita income are just some of the problems that plague India. It is essential that India makes effective use of the resources it has available to it if it is to have any hope of maintaining the progress and development it has achieved in recent decades. It is shifted toward an activity that has the potential to bring in foreign cash, then it is not inconceivable that private businesses might engage in that activity with the aid and support of the government. One industry that fits into this category is the tourism industry. There is no question that the tourism industry, if given the respect and attention it deserves, has the ability to make considerable contributions to the general growth and development of a country. This is especially true if the tourism industry is given the attention and respect it deserves.

### **THE STATE OF TAMIL NADU HAS RICH CULTURAL HERITAGE AND TRADITION.**

Visitors from outside India make up thirty percent of the total number of tourists that come to India. There is no correlation between the quantity of tourists and the amount of cash that the tourism industry brings in. The arrival of low budget tourists from our neighbouring countries; inadequate and low standard of accommodation; low quality of services of travel sectors; inadequate and insufficient use of communication; and inadequate and

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<sup>5</sup> Sharif, N.M. & Lonik, K.A.T. (2017). Sustaining the entrepreneurship in rural tourism development. *International Journal of Multicultural and Multireligious understanding*, 4(6), pp. 31-42.

<sup>6</sup> Surugiu, C. (2009). Development of rural tourism through entrepreneurship. *Journal of Tourism*, 8, pp. 65-72.

insufficient use of banking service and tax structure of tourism sector are some of the factors that are responsible for this insignificant amount of foreign exchange earnings. Other factors include: the arrival of low budget tourists from our neighbouring countries; inadequate and low standard of accommodation; low quality of services of travel sectors; and inadequate and insufficient use of communication. A lack of sufficient cash in budgetary allocation, poor exposure, and an inefficient marketing strategy for tourist products are some of the most essential challenges that need to be addressed immediately. On tourism-related themes such as the infrastructural facilities, guest host connection, and historical aspects of the sector, there have only been a few studies undertaken throughout the years. In spite of this, the challenges that are connected to the entrepreneurial side of the tourism industry in Tamil Nadu were not given the level of attention that they merited over the course of the conversation. In light of these concerns and during the course of the last 10 years, no extensive analytical studies with a focus especially on tourism have been done. The present investigation was carried out since this was the reason for the previous inquiry.

## RELATED LITERATURE

The tourism industry is very susceptible to a broad range of crises, most notably natural disasters that impede travel and cause economic disruption. According to the findings of the study, tourism businesses often do not have the resources that are required to react correctly when faced with emergency situations' (Okumus, Altınay 2005)<sup>7</sup> The Turkish tourism industry's response to crisis management is determined to be dependent on the country's level of economic growth, the availability of financial resources, and the competencies of government officials and industry employees during an economic crisis. Irvine and Anderson looked into a foot-and-mouth disease outbreak (2004)<sup>8</sup> discovered that small tourism firms in the United Kingdom suffered independent of the local epidemic condition; in order to recover, reactive and ad hoc efforts were required due to a lack of preparedness for the crisis. Financial assistance is one of these strategies, which is especially beneficial to firms who are having problems paying their debts. As a result, when confronted with a disaster as severe as COVID-19, a large number of businesses seek monetary assistance from national and municipal governments in the form of immediate loans and debt relief. (Humphries et al., 2020)<sup>9</sup>. Aguilera, Rupp, Williams, and Ganapathi (2007)<sup>10</sup> argued that companies participated in three primary motivations for conducting corporate social responsibility (CSR), which include instrumental objectives, relational incentives, and moral motives for doing CSR (CSR). Due to a scarcity of resources, many businesses and organizations may elect to forego CSR in order to focus their efforts on surviving the outbreak. (He & Harris, 2020)<sup>11</sup>. However, there are numerous reasons for the SRB in the midst of the pandemic. According to him and Harris (2020), the epidemic provides an opportunity for businesses to demonstrate their commitment to more genuine and authentic types of corporate social responsibility. Customers and the general public are more likely to perceive these CSR contacts as having higher significance and influence than when the company was functioning regularly. Filimonau, Derqui, and Matute are three characters in the game Filimonau, Derqui, and Matute (2020) found that managers' perceptions of job security are enhanced by social responsibility activities, which increases their commitment to host organizations. The pursuit of socio-emotional wealth is a significant reason for tourism-related businesses to participate in philanthropic activities, and industry professionals are particularly concerned about reputational consequences. (Canavati, 2018)<sup>12</sup>. Social responsibility performance generally increases the social and economic embedding of small and medium-sized tourism firms in the community and develops consumer loyalty by

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<sup>7</sup>Okumus, (2005). Karamustafa K. Impact of an economic crisis: Evidence from Turkey. *Annals of Tourism Research*. 32, pp. 942–961

<sup>8</sup>Irvine W., Anderson A.R. (2004). Small tourist firms in rural areas: Agility, vulnerability and survival in the face of crisis. *International journal of entrepreneurial behavior & research*. 10, pp. 229–246

<sup>9</sup>Humphries, Neilson, Ulysea G. Cowles Foundation; (2020).. The evolving impacts of COVID-19 on small businesses since the CARES act. In Discussion Paper 2230

<sup>10</sup>Aguilera R.V., Rupp D.E., Williams C.A., Ganapathi J.(2007). Putting the S back in corporate social responsibility: A multilevel theory of social change in organizations. *Academy of Management Review*. 32, pp. 836–863

<sup>11</sup>He H., Harris L. (2020). The impact of Covid-19 pandemic on corporate social responsibility and marketing philosophy. *Journal of Business Research*. ; 116, pp. 176–182.

<sup>12</sup>Canavati S. Corporate social performance in family firms: A meta-analysis. *Journal of Family Business Management*. 2018;8(3):235–273

complying with a moral commitment. (Besser, 2012)<sup>13</sup>. However, due to a lack of resources, many enterprises may find it difficult to practice social responsibility. There have been few empirical studies in the field of tourist crisis management that have looked at the impact of pandemics on tourism-related firms. Given the scope and duration of the COVID-19 outbreak as a global pandemic, an in-depth examination of the impact it has had on the performance and operations of tourism firms is useful in determining the best method to mitigate such consequences. The tourism literature frequently refers to large organizations and destinations when discussing business-related social responsibility; however, there are few empirical research on the SRB of small and medium-sized businesses. When we do a research of the SRB incentives and deterrents of the majority of tourism firms, which are small and medium in size, we gain a deeper understanding of the SRB antecedent framework as well as the societal ramifications of the tourist sector.

## RESEARCH OBJECTIVES

The objectives of the study are

1. To study the problems of the hotel industry during the pandemic
2. To find the solution to the problems of hotel industry in the study area.

## RESEARCH METHODOLOGY

It is an empirical study made in Kodaikkanal, Tamil Nadu. The study is to analyze the problem of pandemic in the tourism industry with reference to the hotel industry in the tourist places. For which 100 sample respondents are selected and data are collected using survey method with the help of interview schedule.

## FINDINGS, DISCUSSION AND RESULTS

### 1. Profile of the respondents

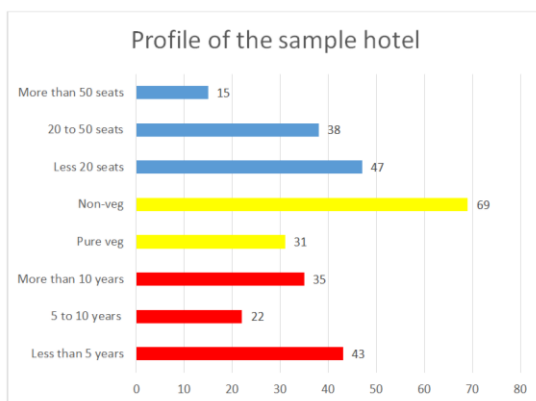
The study has been done with the hotel industry and their problems. The problem may differ according to the nature of their business. Hence, the profile of the selected sample hotels is collected. They are given in the following table.

**Table 1: Profile of the sample hotel**

Profile		Number of respondents
Age of the hotel	Less than 5 years	43
	5 to 10 years	22
	More than 10 years	35
Type of vegetarian	Pure veg	31
	Non-veg	69
Size of business	Less 20 seats	47
	20 to 50 seats	38
	More than 50 seats	15
Total		100

The above table reveals that 43 hotels are less than 5 years old, 22 are between 5 and 10 years and 35 hotels are older than 10 years. According to the type or verity of food, 31 hotels are providing pure vegetarian foods and 69 are non-vegetarian hotels. Size of the business is measured with the number of seats available. 47 sample hotels are having less than 20 seats and 38 hotels have 20 to 50 seats and 15 are providing services more than 50 seats at a time.

<sup>13</sup>Besser T.L. The consequences of social responsibility for small business owners in small towns. *Business Ethics: A European Review*. 2012;21:129–139



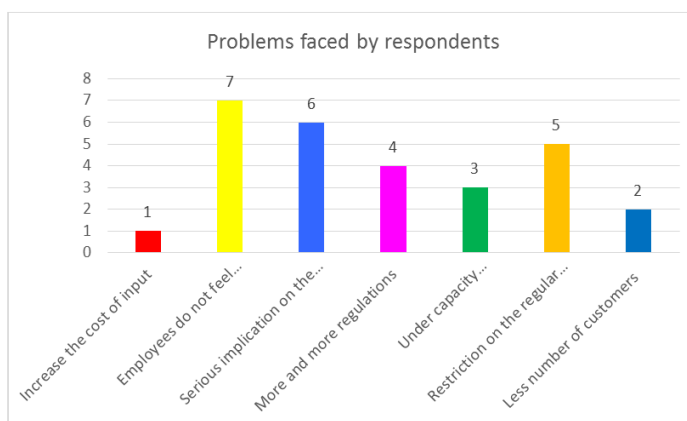
**2. Problems**

The main objective of the study is to measure the problems faced by the hotel industries during the COVID pandemic in tourist places. Various problems related to the pandemic are considered for the analyze. They are measured with the help of descriptive study and the result is given below.

**Table 2: Descriptive Statistics**

Problems	Mean	Std. Deviation	Mean Rank	Rank
Increase the cost of input	3.26	1.419	4.26	I
Employees do not feel comfortable	2.90	1.396	3.77	VII
Serious implication on the healthcare measures	2.93	1.458	3.81	VI
More and more regulations	3.09	1.457	4.08	IV
Under capacity performance and risk of loss	3.11	1.449	4.09	III
Restriction on the regular operation	2.98	1.356	3.86	V
Less number of customers	3.21	1.402	4.15	II

The Table 2 shows that increase in the cost of inputs i.e., materials and labour is found as big problems (3.26). The materials for the hotel industry are groceries, vegetables, meat and other edible oils are costlier during the pandemic. The pandemic has heavily affected the tourism industry. The numbers of tourists are reduced due to safety and restrictions. It is also found as major problem for the hotels (3.21). Thirdly, the hotel industry feels the risk of loss during pandemic as they run under capacity (3.11). The regulation of the government during the pandemic costs the hotel industry (3.09). Restrictions on operation of the business (2.98), implication of healthcare measures (2.93) and employees feeling not comfortable (2.90) are ranked fifth, sixth and seventh in the table.



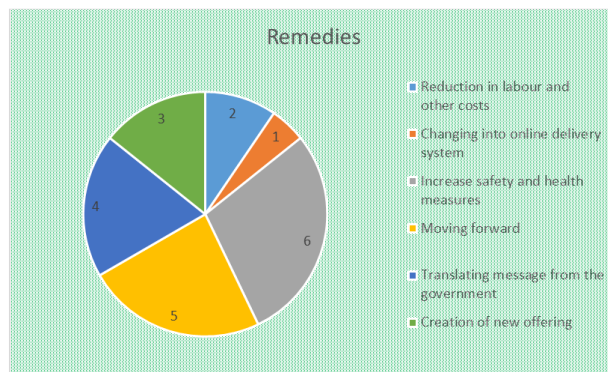
### 3. Remedy

This also tries to find remedies for the above problems from the view of the selected sample hotels. Some of the remedies are asked in the interview schedule. The result is analyzed as below.

**Table 3: Descriptive Statistics**

Remedies	Mean	Std. Deviation	Mean Rank	Rank
Reduction in labour and other costs	3.10	1.446	3.55	II
Changing into online delivery system	3.31	1.440	3.76	I
Increase safety and health measures	2.89	1.456	3.26	VI
Moving forward	2.97	1.466	3.43	V
Translating message from the government	3.03	1.381	3.47	IV
Creation of new offering	3.09	1.379	3.54	III

The Table 3 shows that the hotel industry feels changing the operation of hotel industry through online delivery system is the best solution (3.31). They offer another remedy for the pandemic that to reduce the cost of labour and other cost which could be controlled (3.10). Thirdly, the respondents feel creation of new offering in the pandemic could enable the business do better (3.09). Translating the message from the government according to the level of pandemic (3.03), moving forward the business with confident (2.97) and increasing the safety and health measures (2.89) are other remedies ranked fourth, fifth and sixth respectively.



### CONCLUSION

The tourism industry is a powerful tool for economic development, and it also generates one-of-a-kind business opportunities. By offering employment opportunities to individuals levels of education and training range from skilled to unskilled, and it also helps to strengthen local economies by providing better infrastructure development, such as roads, airports, telecommunications, water, power, and transportation. This, in turn, generates more opportunities for individual and corporate entrepreneurs. There is a large treasure trove of opportunities for business owners to be found in the tourism industry. These opportunities include transportation services, tourist resorts and multi-complexes, shopping malls, entertainment centers, shopping facilities, retail outlets for handicrafts and nativity-themed special products, and many more. In light of the aforementioned, the researcher has conducted a survey in order to gain a better understanding of the opportunities and challenges that lie ahead for tourism business owners. According to the poll that was conducted, the respondents have been effectively operating their businesses, however some of them have not even reached the point where they have broken even due to seasonal challenges. The author indicated that in order to be successful in the tourism industry, one must put in a lot of effort and have strong management skills, and their primary emphasis and perspective on the company is that of a pilgrimage visitor. The complex and ever-changing interplay of economic, social, political, and other elements determines the level of success that may be achieved by tourism business owners. The researcher concluded that elements have the potential to have repercussions on the development of tourist entrepreneurship that are both good and bad.

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## **A DESCRIPTIVE STUDY ON PROBLEMS FACED BY INVESTORS IN INVESTMENT AVENUES**

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### **ABSTRACT**

The use of money with the intention of earning a profit from such use is known as investment. With a broad sense, the term "investment" refers to the act of spending money in the expectation of generating further funds. With the world of finance, the term "investment" refers to the practice of allocating monies that have been set aside for uses other than immediate consumption in the expectation that those funds would provide profits in the future. The investment of choosing which investment avenues to pursue can be extremely difficult for investors. One of the main reasons for this is that investors first have to determine the characteristics of each of the available investment avenues before being able to match those characteristics with their own specific requirements and preferences. The following are the objectives of the present study to analyze the nature of the investors in the study area and to study the investor's preference in different source of investment. In the course of this investigation, a descriptive research approach was taken. The primary purpose of the study is to get an understanding of the behaviours of investors in relation to their respective investments. A samples from 200 different investors in the city of Chennai was been considered for the study. A technique known as non-probability convenient sampling was utilised in order to pick the sample respondents from the area being investigated. The researcher concluded that the majority of investors are not fully aware of the investment opportunities that are available, such as shares, mutual funds, etc., and investments need to be promoted among the younger generation, also known as the millennial generation, so that they may save more money for the future.

**Keywords:** Saving Pattern, Investors, investment avenues and source of investment

### **INTRODUCTION**

An investor has a variety of options to choose from when it comes to parking their funds due to the fact that there are so many different investment vehicles accessible nowadays. The investor choose the mode of investment that affords them the most possible benefit. Some of them are marketable and liquid, while others are not; some of them take a significant risk, while others take absolutely no risk at all. In addition, some of them are nonmarketable. The Investors are required to choose the path forward based on their individual requirements, levels of risk tolerance, and desired returns. Therefore, in order to select the most common and successful investment routes for the study, it is necessary for the research to first gain an understanding of the benefits and drawbacks associated with the various investment routes. This can be accomplished through the use of financial advertisements, newspapers, investment journals, research reviews, and the advice of industry professionals and other investors. Investment is something that everyone should do as economic backdrop. Everyone has the goal of increasing the amount of investment they earn from their investments. The proper administration of a portfolio requires the direction or understanding of an expert. The investor's capacity for accepting risks will play a significant role in determining their investment selection. There are a variety of investment opportunities accessible, each of which has a unique level of both risk and potential reward. The investor will make a choice at the point when he feels comfortable with both his risk and his reward. The moment at which an individual will decide to make an investment will differ from person to person. This article

provides an analysis of the actions taken by the investors. Investors are not the same as one another in any way, shape, or form because of the different elements that influence them, such as demographic characteristics, socio-economic background, life style, and so on, despite the fact that investors invest with the intention of accomplishing certain goals.

### **BEHAVIOUR OF INVESTOR**

The conduct of the investors is very difficult to comprehend and forecast accurately. It varies from person to person and scenario to situation. The research was more concerned with human behaviour than with the state of the economy. The only reason why the price of shares or commodities is shifting is because different people have different goals and needs. However, the choice was made solely on the basis of their actions. There are a lot of different things that might impact the actions of investors. Investors' economic standing, their propensity for accepting risks, the many investment opportunities now accessible, etc. This report is an effort to investigate the behaviour of investors in the region under investigation.

### **REVIEW OF LITERATURE**

In India, investors often consider every possible channel for investment accumulation to be high-risk. The security of the original amount, liquidity, the consistency of the income, approval, and the ease of transferability are the primary characteristics of investments. There is a wide variety of opportunities for investment, including stocks, banks, businesses, precious metals like gold and silver, properties, life insurance, postal savings, and so on. The choice of investor is determined by the desired rate of return as well as their degree of comfort with risk. The investment may be one of many different options, including national savings certificates, provident funds, mutual fund schemes, insurance schemes, chit funds, bank fixed deposits, and company fixed deposits, company shares, bonds / debentures, government securities, postal savings schemes, or real estate. It is reasonable to draw the conclusion that in this rapidly changing environment, we should make an effort to save money. More danger usually results in a larger payoff.

Geetha and. Ramesh (2019) in their study “A study on People’s Preferences in Investment Behaviour” The authors have studied the factors that influence investment behaviour patterns of the people and the attitude of the respondents towards different investment choices. From the study it was found that the lower income level respondents give more preference to invest in insurance, bank deposits. Lower income level groups have more awareness about the investment avenues compared to that of the high income level respondents. Mark and WH (2017) investigated an exploratory study of investment behaviour of investors. This exploratory study intends to address the highlighted research vacuum by presenting linear regression models of the financial investment behaviour of Mainland Chinese and Hong Kong investors. These models will be compared and contrasted in terms of their similarities and differences. According to the findings of regression analyses, I there are discernible distinctions in the manner in which Mainland Chinese and Hong Kong investors approach their financial investments, and (ii) investors' psychological, sociological, and demographic factors are significant predictors of their investment and preferences. Priti Mane (2016) discussed the customer perception with regard to the mutual funds that the schemes they preferred, the plans they are opting, the reasons behind such selections. This study focused on alternative investment vehicles, in addition to and apart from mutual funds that are preferred by individuals. These vehicles include postal savings programmes, recurring deposits, bonds, and share investments. Conclude that mutual funds are linked with the share market, and since investors do not seek advice from authority advisors to guide them through the investment of investing in mutual funds, it is difficult for them to choose the mutual fund plan that is most suitable for their needs because of this..Awais et al. (2016) explored that the factors which influence the decision-making process of investors. According to the findings of their investigation, the level of risk factors has a direct bearing on the choices made by investors. In conclusion, they came to the conclusion that investors could improve their capacity to jump into risky investments for the purpose of earning high returns by managing investment more effectively if they had a higher level of knowledge about financial information and an increased ability to analyze that information.

Vaidehi et al. (2016), argued that investment methods as well as styles are driven by a variety of distinct demands. It investigates the necessity of more widespread acceptance of behavioral patterns among paper investors. Such a pattern would assist investment advisors in visualizing how investors react to market schedules



and would enable them to develop appropriate allotment strategies for their clients. The research was carried out to answer these questions. Among the identified elements, the investment motivations, which accomplished the long-term gain, which established to be a vital factor pursued by dividend and growth possibilities and the balance of short-term and long-term gain, were among the considerations. The manner in which an investor chooses to invest their money is significantly influenced by factors such as their age, employment, level of income, and total equity holdings. Claudia Nicoleta Borsan (2009) investigated the behaviour of the stock market on the same day that the information about the environment was made public, we found some conclusions that were contentious. This means that as of the proper publishing date, high polluter firms have majorly abnormally low returns, but low polluter companies have returns that are statistically indistinguishable from zero on average. The study came to the conclusion that investors have been slow to properly evaluate future increases in firm value associated with current good firm environmental performance. However, on the other hand, investors have properly low-cost future negative financial effects matching to high-polluter companies.

### STATEMENT OF THE PROBLEM

Investment is that everyone should do if they want to live a life that is highly pleasant. However, finding the correct investment path as well as their point of entrance or departure is not always simple. When you want to earn a greater return while taking on less risk, portfolio management becomes vital. As a result, the purpose of this research is to find out how well individuals understand the various investment opportunities and the outcomes of those opportunities. It is important to follow the correct procedure while making an investment. There is a chance to struggle with making a decision about the time investment.. The following questions are raised relating to the above:

- Which investment avenue is mostly preferred by the investor?
- What are the problems faced by the investors in managing their portfolio?

### OBJECTIVES OF THE STUDY

The following are the objectives of this study

1. To analyze the nature of the investors in the study area
2. To study the investors preference in different source of investment.

### RESEARCH DESIGN

In the course of this investigation, a descriptive research approach was taken. The primary purpose of the study is to get an understanding of the behaviours of investors in relation to their respective investments. We took samples from 200 different investors in the city of Chennai. A technique known as non-probability convenient sampling was utilised in order to pick the sample respondents from the area being investigated.

### FINDINGS, DISCUSSION AND RESULTS

1. Profile of the investors

The investors are from different nature of demographic, economical and behavioral aspects. This study observes the age, gender, risk taking ability of the investors, their objectives and major source of information they get related to investment decisions. They are given below.

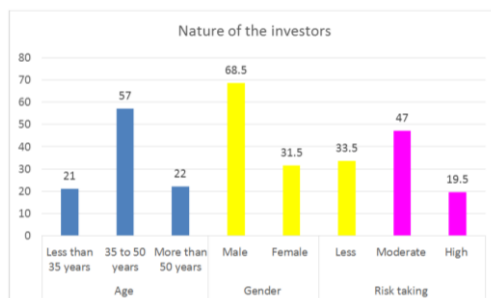
**Table 1: Nature of the investors**

	Nature	Number of respondents	Percentage
Age	Less than 35 years	42	21.0
	35 to 50 years	114	57.0
	More than 50 years	44	22.0
Gender	Male	137	68.5
	Female	63	31.5
Risk taking	Less	67	33.5
	Moderate	94	47.0

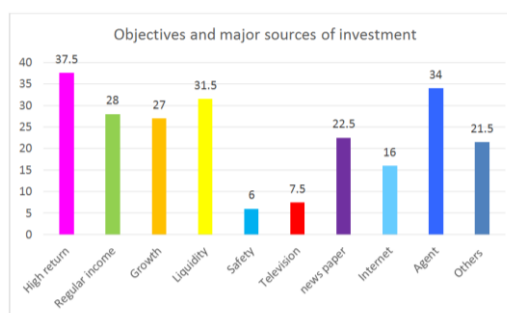
	High	39	19.5
Objectives of investment	High return	77	37.5
	Regular income	56	28.0
	Growth	54	27.0
	Liquidity	63	31.5
	Safety	12	6.0
	Television	15	7.5
Major source of investment	news paper	45	22.5
	Internet	32	16.0
	Agent	68	34.0
	Others	43	21.5
	Total	200	100.0

The Table 1 indicates that 42 (21.0%) respondents are aged below 35 years, majority (57.0%) of the respondents are aged from 35 to 50 years and 44 (22.0%) respondents are from old age group more than 50 years. 137 (68.5%) are male and 63 (31.5%) are female.

77 (37.5%) respondents wish to take less risk, 94 (47.0%) are ready to take moderate risk and 39 (19.5%) respondents are willing to take more risk. According to their purpose of investment, 77 (37.5%) respondents prefer high return yielding investments, 56 (28.0%) respondents choose regular income choices, 54 (27.0%) respondents like growth oriented investments, 63 (31.5%) respondents prefer liquidity and 12 (6.0%) respondents give importance to safety.



The respondents are also asked to mention about their major source of information which helps for their investment decision making. Most of the respondents (34.0%) respondents are get information and knowledge through their broking houses or agents. 45 (22.5%) read and use the newspapers, 43 (21.5%) respondents get information from other persons like friends, relatives and family members. 32 (16.0%) respondents have the ability to access and get information in the internet and 15 (7.5%) give importance to the television to get information.



## 2. Investors' preference

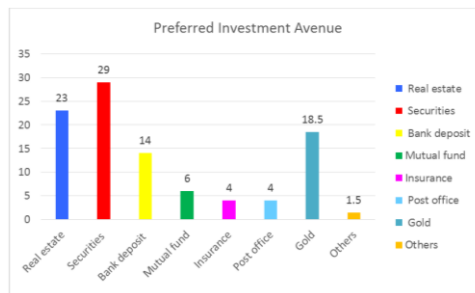
This paper is also trying to study the investors' preferred investment avenue. The choices of investments are majorly classified reality sector, securities market, bank deposits, mutual funds, insurance, post office saving

schemes, gold and other bullion market and other investment options in different sources including local chit companies, finances, etc. The result is given below in Table 2.

**Table 2: Preferred Investment Avenue**

Preference	Number of respondents	Percentage
Real estate	46	23.0
Securities	58	29.0
Bank deposit	28	14.0
Mutual fund	12	6.0
Insurance	8	4.0
Post office	8	4.0
Gold	37	18.5
Others	3	1.5

The respondents are asked to mention their most preferred investment avenue. Though they opt multiple choices, they have given about the most preferred to invest their saving. 58 (29.0%) respondents prefer to invest in the security market (most of the male respondents prefer). 46 (23.0%) respondents like to invest in real estates, 37 (18.5%) respondents invest in gold and other bullion market sources. Bank deposit is preferred by 6% of therespondents. Further, influence of the gender on the decision on selecting the investment avenue is analyzed as below.



**Table 3: Preference of investors according to their age**

Gender	Preferred investment								Total
	Reality	Security	Bank	Mutual fund	Insurance	Post Office	Gold	Others	
Male	37	55	15	10	6	5	7	2	137
	27.0%	40.1%	10.9%	7.3%	4.4%	3.6%	5.1%	1.5%	100.0%
Female	9	3	13	2	2	3	30	1	63
	14.3%	4.8%	20.6%	3.2%	3.2%	4.8%	47.6%	1.6%	100.0%
Total	46	58	28	12	8	8	37	3	200
	23.0%	29.0%	14.0%	6.0%	4.0%	4.0%	18.5%	1.5%	100.0%

The cross table depicts that out of 137 male respondents, 55 (40.1%) prefer security market, 37 (27.0%) opt to invest in the real estate market, 15 (10.9%) respondents go with bank deposits. Among 63 female respondents, 30 (47.6%) respondents like to buy gold as investment, 13 (20.6%) like bank deposits and 9 (14.3%) respondents prefer to invest in land and other properties. Among top three preferences in both male and female, bank deposits is the only choice. Further, the significance difference in the preference between male and female is terse with the help of Chi-Square test. It is given in the following table.

**Table 4: Chi-Square test**

Particulars	Result
Chi-Square value	68.232
Degree of freedom	7
Significance (p)	0.000

The result of the Chi-Square test shows that the calculated value is 68.232 for the degree of freedom 7. It is greater than the expected value. Hence, it is concluded that the selection of the investment avenue is significantly change according to their gender. It is understood from the findings that male investors prefer

security market and real estate, female investors consider gold and the bank as their most likely area of investment.

## CONCLUSION

The purpose of this research was to investigate the attitudes of investors toward different types of investment opportunities, as well as the patterns of saving that investors follow and the variables that influence the investment choices they make. As a result of the current research including intriguing information about individual investors, the study has vital consequences for investment counsellors and investment managers, as well as for the government and other financial organizations. The most well-liked ways to put investment to work include investments in things like gold and silver, as well as deposits in banks and insurance policies. The investors still prefer to put their money into financial assets that guarantee a return with no downside risk. This helps to infer that investors with a moderate income are cautious investors who want to keep their investment activities on the safe side. The investor's primary goal has been to get a satisfactory rate of return, and they favour making investments with a medium-term time horizon. The majority of investors are not fully aware of the investment opportunities that are available, such as shares, mutual funds, etc., and investments need to be promoted among the younger generation, also known as the millennial generation, so that they may save more money for the future. The designers of investment avenues are able to create financial products in such a way that they can cater to the needs and preferences of investors regarding the safety of principal, diversification, low risk, high steady returns, maturity period, or any other factor in their preferred investment avenues.

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## A STUDY ON PERCEPTION OF WOMEN ENTREPRENEURS ON BUSINESS QUALITIES IN BANGALORE CITY OF KARNATAKA

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### ABSTRACT

An entrepreneur is a leader who actively searches out new ideas and puts those ideas into action with the purpose of aiding economic growth and development. An entrepreneur may also be referred to as an innovator.. An action that results in the formation and administration of a new organization with the purpose of pursuing an original and cutting-edge opportunity is referred to as entrepreneurial activity. It entails taking steps to encourage people to become entrepreneurs and provide them with the skills required to develop a profitable company model. In addition to this, a rising nation like India is in need of businesspeople who are capable of recognizing new possibilities and are prepared to take the required risks. The entrepreneurs may escape the vicious cycle of low income and poverty if they establish new businesses and create their own enterprises. Certain persistent issues, like unemployment, may be alleviated if more businesses and the government collaborate to develop innovative approaches of doing business. The study is made with the objective of knowing the perception of the women entrepreneurs towards the traits they require for the successful professional life. It is a qualitative study conducted in Erode district, Tamil Nadu. 100 women entrepreneurs have been selected using snowball technique. Their opinion about the quality that possess or required is observed through the Google forms. Their perception is analyzed with their age group using Kruskal Wallis test. As a result, it is essential to study women's entrepreneurship in this era of social change and evolution. It is important to determine what kinds of opportunities encouraged women to engage in entrepreneurial endeavors, as well as what can be done to encourage and ensure that they are successful.

**Keywords:** Perception, women entrepreneurs, business qualities and Bangalore city

### INTRODUCTION

Women today have a better awareness of their place in society, their roles, and their rights. Fifty percent of the world's population is made up of women. Women entrepreneurs are those who look for innovative ways to participate in and contribute to the economy. Women entrepreneurs are having a clear and beneficial impact on every sector of the economy. Women own between one-fourth and one-third of official sector businesses around the world, and women are poised to play an even bigger role in the informal sector. Since the end of World War II, the number of women who are financially self-sufficient and work for themselves has increased dramatically in developed countries around the world. Indian women's behaviour might be compared to a well-executed and predictable game plan. They were to act in accordance with their male counterparts' preferences for how they did things. Changes were made in a deliberate manner. Women migrated to cities where they could get an education and be economically self-sufficient. Her status as a working woman is no longer regarded with disdain. Women entrepreneurs' value as contributors to India's economic progress is becoming more generally recognized across the country. However, in comparison to more industrialized countries around the world, India has a very low rate of female entrepreneurs. India is one of the world's least developed countries when compared to other nations.

Women's companies growing as independent ventures is an important part of human resource development. Women have shown a growing interest in creating their own enterprises since it allows them to be their own

boss, tackle the challenges they choose to face, and earn more money, all of which are benefits that outweigh their duties to their families. Furthermore, technological advancements enable women to obtain more relevant credentials and values in order to meet the standards of entrepreneurship. The efforts of female business owners are a crucial component of the broader objective to achieve ongoing economic growth and social advancement in today's fast-paced world. Despite the fact that women have always played an essential role in the development of India, their entrepreneurial potential has been underutilized due to their inferior status in Indian culture. Their significance was not openly acknowledged until the Fifth Five Year Plan (1974–1988), which coincided with a substantial shift in attention away from women's welfare and toward women's growth and empowerment. This happened at the same time as the plan's implementation. Women's empowerment through company ownership has emerged as a vital component of our strategic aims and objectives. The government of India has created a variety of regulations and programmes to encourage the growth of female company entrepreneurs. Throughout the previous century, the ladies of India took on a new identity. They enrolled in educational institutions and educated themselves in order to prepare themselves for obligations in the medical profession, as well as careers as teachers and nurses, in addition to being daughters, spouses, and mothers. Then came the liberation movement, and many Indian women took part in the subsequent fight for independence. When it came time to build the country, women began enrolling in educational institutions and gradually rose through the ranks of formal and industrial organizations' administration. This was a big step forward for women's equality. This circular march of women's history provides the idea that women have carved out a space for themselves everywhere they have entered. Almost every country's economy is seeing a considerable increase in the share of women-owned businesses. The increased awareness of women's roles and economic status in society has resulted in a gradual transformation of women's latent business potentials, resulting in a rise in the number of successful female entrepreneurs. The majority of women who establish their own firms do so because they have superior business skills and the ability to be flexible.

A "entrepreneurial woman" is someone who takes on difficult responsibilities in order to meet her own personal needs and become financially self-sufficient. Women who are capable of being entrepreneurs and delivering value in both their personal and professional life frequently have a natural desire to accomplish something positive. Women are more aware of their own traits, rights, and the professional conditions in which they find themselves as a result of the development of media. Glass ceilings have been smashed as women are now seen to be active in every third line of industry, from pappads to electrical wires. In this age of digital technology, women's opportunities and challenges are rising at such a rapid pace that job seekers are increasingly becoming job producers. They've had success in the marketplace as designers, interior decorators, exporters, publishers, and apparel manufacturers, and they're still looking for new ways to contribute to the economy. Many people, including a large number of women, an even larger number of men, and an even larger segment of society, take a long time to recognize and embrace the reality of women's talents and skills. The image of women will shift as a critical mass of women enters new and different occupations. Getting into the organizations has been a difficult task. It's a monumental endeavor to rise from infrastructure duties in the 1960s to managerial roles and responsibilities, and it's even more difficult to rise to senior management positions. Women serving as CEOs is now a reality, despite the fact that it was once considered a rare and near-impossibility. In any country and at any time, a combination of elements such as financial, institutional, cultural, and political structure, overall socioeconomic background of country, government policies, individual preferences, and willingness were shown to be responsible for entrepreneurial activities. Human behaviour is governed by urges, emotions, desires, and needs, all of which are fueled by motivating forces. The desire for independence was the most powerful motivator for starting an entrepreneurial enterprise. Dissatisfaction with a former career, a dependency position, and seniors' demand were all major motivators. Other key motivators included the availability of raw resources, government marketing backing, infrastructure accessibility, and technology.<sup>1</sup>

Due to historical socio-cultural customs and taboos that still exist in our culture, the number of female entrepreneurs in our country is quite low. When it comes to creating their own businesses, Indian women face a range of obstacles right from the outset. A largely male-dominated society, severe levels of competition, an uncooperative attitude on the part of financial institutions, marketing difficulties, and family issues are just a

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<sup>1</sup> Shane and Venkataraman (2000). "The Promise of Entrepreneurship as A Field of Research", *Academy of Management Review*, Vol. 25 (1), 217- 226

few of the challenges that minority business owners face. The period of transition, on the other hand, has begun to take effect. Since the 1990s, India has become a major center for the outsourcing of business processes. Women company entrepreneurs have access to a variety of government services, exemptions, and incentives that are specifically targeted to their requirements.



## REVIEW OF LITERATURE

It is now commonly accepted that women constitute an untapped source of entrepreneurial aptitude, and that their relevance should not be disregarded as a result. This is something that has gained widespread recognition in recent years. Entrepreneurs, regardless of gender, share a lot of characteristics, including drive, excitement, passion, creativity, problem-solving talents, and an imaginative flare. Some of these characteristics include: On the other hand, women entrepreneurs typically have a higher level of inventiveness than their male colleagues. Women business owners, just like their male counterparts, share a number of characteristics, but they also exhibit a few distinguishing characteristics that differentiate them from one another. These characteristics include: In the following few lines, we will investigate the type of business that female entrepreneurs prefer to pursue, as well as the characteristics of their respective companies and the factors that contributed to their choices, which will be provided in the form of a preference index.<sup>2</sup>Sunday Samson Babalola (2009)<sup>3</sup> Using a sample of 405 female entrepreneurs from the city of Ibadan in Nigeria, the author of the study "Women entrepreneurial Innovative Behaviour: The Role of Psychological Capital" investigated the effect of psychological capital on the creative behaviour of female entrepreneurs. His study was titled "Women entrepreneurial Innovative Behaviour: The Role of Psychological Capital." The study found that women who had higher levels of self-efficacy and an internal locus of control had better scores on an entrepreneurial inventive behaviour test than those who had lower levels of self-efficacy and an external locus of control. This was the case regardless of whether or not the women were entrepreneurially inventive. It was also demonstrated that there was a substantial connection between women who had completed a high level of education and women who had completed a lesser level of education. It is encouraged that women have faith in themselves, and it is predicted that women's acquisition of higher education will provide the impetus for growth and success in endeavours that are entrepreneurial and imaginative.

Rajput and Ali (2009)<sup>4</sup> investigated the challenges that are faced by female business owners in the Potohar district of Pakistan. In order to conduct out the research, a sample was established consisting of 340 different women who owned their own businesses. This sample was designed to be representative of the entire population. The vast majority of women were their own bosses and ran their own businesses, the vast majority

<sup>2</sup> Gupta C.B and Srinivasan N.P (1999), "Entrepreneurship Development in India", Sultan Chand and Sons, pp.1-42.

<sup>3</sup> Sunday Samson Babalola,(2009), "Women entrepreneurial Innovative Behaviour: The Role of Psychological Capital", International Journal of Business and Management. November. pp. 184-192.

<sup>4</sup> Rajput and Ali, M. (200), "A Preliminary Investigation of Entrepreneurial Women in Potohar Region of Pakistan", Journal of Chinese Entrepreneurship, Vol.1 No.3, pp. 193-208

of which were based on the fashion industry. Fashion-related businesses accounted for the vast majority of the women's businesses. It was against the law for women to work for themselves without being employed by a male boss. Within each of the several fields of study, an overwhelming number of the female participants held advanced degrees. Women did not have access to nearly as many educational possibilities as men did when it came to pursuing postgraduate degrees in business administration. This was especially true in comparison to the number of opportunities that were available to men. The fact that the majority of successful businesswomen came from families in which they were the oldest child exemplifies the level of responsibility that these women bear. They struggled to overcome challenges such as a lack of financial resources, a lack of expertise, a weakness in their understanding of marketing talents, and a variety of other challenges. They had a terrible time. They struggled to overcome not just these challenges, but also others....

Wharton and Brunetto (2007)<sup>5</sup> examined the pattern of opportunity recognition as well as the function of government sponsored business networks. It was decided to take a sample of 500 female entrepreneurs at random from a single state in Australia. The author came to the conclusion that business networking was pursued in order to look for new business opportunities, and that women place a high priority on having a trusting disposition as a major essential in order to benefit from networking. Women business owners are aware of the significance of the government developed network, but women still do not feel them sufficient enough; this is a failure on the part of the government due to a lack of resources. When interacting with the government, women experienced a range of different experiences. Dhaliwal (2000) investigated the experiences of Asian female business owners who ran their own companies as well as those who managed family businesses. The women who chose to live independently had higher education levels but struggled financially. The primary motivation for them to start their own company was to alleviate their children's boredom and satisfy their need for less of their parents' attention. Although the disguised women held the majority of shares in the company, their husbands continued to exercise the majority of the company's financial control. Businesses required more people to work for them. The concealed women were more involved in business, were required to work long hours, and were responsible for their own financial well-being. They also believe that they have no choice but to put the needs of the business before those of the children. Work ethic, self-confidence, optimism, honesty, understanding, determination, aggressiveness, intelligence, sociability, competitiveness, independence, good verbal skills, industriousness, resourcefulness, creativity and motivation, time management, imitativensness, and business selection are the factors that make up this category.

### IMPORTANCE OF THE STUDY

In today's world, female company owners are performing a highly significant function in either the commercial or industrial sectors. Their beginning in the corporate world is quite recent. Women have previously demonstrated that they play an important role in other fields such as politics, administration, medicine, engineering, technical and technological fields, as well as social and educational services. Their foray into the commercial world is a relatively new development in India. It is an expansion of the activities that take place in the kitchen. Within particular fields of endeavour, female company owners are not only competing successfully with their male counterparts, but also outperforming them. Women have demonstrated their prowess not just in the fields of law, science, medicine, aviation, and space research, as well as in the fields of law enforcement and the armed forces, but more recently in the fields of business and industry as well. They have demonstrated that they are not inferior to males in terms of productivity, effort, or intelligence, provided that they are afforded the appropriate level of scope.

**Main Entrepreneurial Traits of Women Entrepreneurs:** Following are main entrepreneurial traits of women entrepreneurs:

- (i) **Imagination:** This term refers to taking a creative approach or coming up with unique ideas in order to compete in a market. In order to investigate the current state of affairs and locate potential business openings, a method that has been well designed is required. In addition to this, it suggests that female

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<sup>5</sup> Wharton, R. and Brunetto, (2007), "Women Entrepreneurs, opportunity Recognition and Government- sponsored Business Networks: A Social Perspective", *Women in Management Review*, Vol.22, No.3, pp. 187-207.



business owners have associations with competent individuals and are capable of contracting the appropriate organizations that offer support and services.

- (ii) **Attribute to Work Hard:** Women who are entrepreneurial also have the additional ability to put in long hours. The creative concepts have to be implemented in a reasonable manner. To grow a business successfully, one must put in a lot of effort.
- (iii) **Persistence:** In order to be successful businesswomen, women need to have the aim of realizing their goals. They are tasked with turning a vision into a reality in the form of a business. According to numerous studies, successful women put forth a lot of effort. They did not give up trying to borrow money from banking organizations and purchasing other inputs. They have persevered despite the difficult conditions and the opposition they have faced.
- (iv) **Ability and Desire to Take Risk:** In this context, "want" refers to the willingness to take risks, and "ability" refers to the skill with which one can plan, make forecasts, estimations, and computations. The payoff for taking on risk is profit. Women who are entrepreneurial are willing to take risks, but they do so rationally. It presents obstacles in which the possibilities of surviving and failing are equal on a par with one another.
- (v) **Courage:** The quality of having the ability to face challenges head-on is essential for women who want to start their own businesses. Anyone can start a business with a lot of enthusiasm, but only a select few have the courage to keep the firm going over the long term and achieve success in this industry.
- (vi) **Sound mind:** Women who want to start their own businesses need to have a healthy and alert mind that will motivate them to keep up with the latest industry trends and customer requirements. Having a troubled mental state, on the other hand, might be a distraction and act as a barrier in the way of successfully running a business. She must traverse and overcome obstacles in order to triumph over the challenging times in the industry. A minor setback in the business is nothing out of the ordinary.
- (vii) **Clear Vision with a strong mind:** It is a decent sign of a successful Women Entrepreneur that she never gets distracted from her goal. She should predict the upcoming market conditions and situations as maybe arise in near future. A Women Entrepreneur must think out of the box and provide all the things that are required by society.
- (viii) **Self-confidence and Bold:** A strong faith, in addition to a woman entrepreneur's natural qualities, can be of great assistance to the woman's efforts to achieve speedy success in her firm. She is able to persevere through challenging times and adjustments that are made in the market in response to the preferences and demands of customers.

#### SCOPE AND SIGNIFICANCE OF THE STUDY

The promotion of women's autonomy is a vital that the barriers that are inhibiting the growth of entrepreneurs be removed in order to allow for full participation in the company. This can only be accomplished by removing the hurdles. The success of sustainable development initiatives is directly correlated to the level of entrepreneurial activity that is there. In addition to training programme, other opportunities for expansion that may be available to entrepreneurs include participation in trade fairs and exhibits, receiving newsletters, and developing mentoring relationships. The corporation achieves the results it had aimed for in a timely manner, and a bigger number of potentially lucrative business opportunities are found. Therefore, encouraging females to establish their own enterprises is unquestionably a certain approach to quicken the rate of economic growth and development. This is a certain way to hasten the rate at which economic growth and development is occurring.

#### STATEMENT OF THE PROBLEM

Women entrepreneurs have an important role in today's economy, contributing significantly to the creation of new jobs, capital, and inventions. Given the increased number of women who are beginning their own businesses, any research that looks into the challenges experienced by female business owners and how they overcame these challenges becomes more important. The nation has undergone huge changes in recent decades, with a higher rate of development in all sectors of the economy: industrial, technical, and technologically

advanced. Increased educational and training facilities, industrialization, new economic policies, a positive government approach, financial resources, entrepreneurship development, and training facilities, as well as a changing socioeconomic and political environment, are all factors that encourage women to engage in entrepreneurial activity. Despite the fact that greater attention is being devoted to the rise of female entrepreneurship, there are a number of impediments to the emergence of a sector that is perfectly suited to women. Women in India are held in great regard and seen as the more desirable half of society. Despite all of these benefits, women still have a long way to go before they can properly fulfil their various duties, such as motherhood, marriage, and company ownership.

### OBJECTIVE

The study is made with the objective of knowing the perception of the women entrepreneurs towards the traits they require for the successful professional life.

### METHODOLOGY

It is a qualitative study conducted in Erode district, Tamil Nadu. 100 women entrepreneurs have been selected using snowball technique. Their opinion about the quality they possess or require is observed through the Google forms. Their perception is analyzed with their age group using Kruskal Wallis test.

### FINDINGS

The study is focusing on the perception of the women entrepreneurs. The nature of the sample respondents is summarized as below.

#### 1. Socio-Economic characteristics of the respondents

The profile of the women entrepreneurs who have been selected as sample respondents for the study is discussed as below.

**Table 1: Nature of the respondents**

Nature of the respondents		N
Age group	Young	57
	Middle	22
	Old	21
Educational qualification	School level	9
	UG	46
	PG	30
	Others	15
Family size	Small family	56
	Big family	44
Nature of family	Joint family	49
	Nuclear family	51
Income group	Less	25
	Middle	53
	High	22
Total		100

From the above table it is understood that 57 respondents are from young age group, 22 are in the middle age group and 21 are old aged. Based on the educational qualification, the respondents are grouped as upto school level (9), under graduation (46), post-graduation (30) and others (15). The family support to the women entrepreneurs is also important. Hence, the size of the family is also observed. 56 respondents from small family and 44 respondents belong to the big family. The nature of family shows that 49 respondents from the joint family and 51 respondents are from the nuclear family. According to the income level, the respondents are grouped as less income (25), middle income (53) and high income group (22).

**2. PERCEPTION OF WOMEN ENTREPRENEURS TOWARDS THE QUALITIES OF A BUSINESSMAN**

The perception of the sample respondents towards their qualities is measured with the age group. The result is given below in Table 2.

**Table 2: Descriptive Statistics**

Traits	Mean	Std. Deviation
Imagination	4.47	1.087
Attribute to Work Hard	3.76	0.767
Persistence	3.26	0.970
Ability and Desire to Take Risk	3.19	1.203
Courage	3.16	1.509
Sound mind	2.80	1.255
Clear Vision with a strong mind	2.62	1.237
Self-confidence and Bold	2.96	1.271

While comparing the traits of the businessman from the perception of the respondents, it is found that imagination is having more mean (4.47). Attribute to work hard is place second with a mean of 3.76. Persistence (3.26) and ability of desire to take risk (3.19) are other important traits from the respondents’ point of view. The difference in the perception according to the age group is analyzed as given below.

**Table 3: Difference in perception according to the age of the respondents**

Traits	Age group	N	Mean Rank	Test	Result
Imagination	Young	60	55.97	Chi-Square	9.255
	Middle	22	41.86	df	2
	Old	18	42.83	Sig.	0.010*
Attribute to Work Hard	Young	60	53.73	Chi-Square	3.835
	Middle	22	47.25	df	2
	Old	18	43.69	Sig.	0.147
Persistence	Young	60	45.30	Chi-Square	12.156
	Middle	22	49.02	df	2
	Old	18	69.64	Sig.	0.002*
Ability and Desire to Take Risk	Young	60	60.27	Chi-Square	18.232
	Middle	22	35.82	df	2
	Old	18	35.89	Sig.	0.000*
Courage	Young	60	54.72	Chi-Square	4.046
	Middle	22	40.86	df	2
	Old	18	48.22	Sig.	0.132
Sound mind	Young	60	45.39	Chi-Square	13.992
	Middle	22	46.07	df	2
	Old	18	72.94	Sig.	0.001*
Clear Vision with a strong mind	Young	60	45.33	Chi-Square	14.745
	Middle	22	45.86	df	2
	Old	18	73.39	Sig.	0.001*
Self-confidence and Bold	Young	60	42.73	Chi-Square	15.958
	Middle	22	53.45	df	2
	Old	18	72.78	Sig.	0.000*
	Total	100			

\* Significant

The respondents from the young age group have better qualities of imagination (55.97), attribute to work hard (53.73), ability and desire to take risk (60.27) and courageous (54.72). Old age group respondents have the qualities of persistence (69.64), sound mind (72.94), clear vision with a strong mind (73.39) and self-confidence and boldness (72.78).

The calculated Chi-Square values for the degree of freedom 2 is found significant for imagination (9.255), persistence (12.156), ability of take risk (18.232), sound mind (13.992), clear vision and strong mind (14.745) and the self-confidence and bold (15.958). The p values are less than 0.01. Hence, it is concluded that the young

women entrepreneurs have the quality of imagination and ability to take risk. The respondents aged more are better to persistence, sound mind and self-confidence.

## CONCLUSION

In spite of the fact that the situation is getting worse and that there are a growing number of initiatives and resources available to promote and develop women's entrepreneurship in developing countries, women are still less likely than men to start and manage their own businesses. As a result, women's earnings are lower, and their businesses grow more slowly. The reasons behind this are that they were denied the benefits of education, did not have enough opportunity to develop their inherent abilities, and thus remained powerless and closed-minded. However, women continue to be totally reliant on males from a financial standpoint. It is feasible for young girls to get job so that they may satisfy their economic demands, and this is made possible by their prior work experience, exposure to educational opportunities, and the urbanization process, which fostered the formation of women business owners. As a result, it is essential to study women's entrepreneurship in this era of social change and evolution. It is important to determine what kinds of opportunities encouraged women to engage in entrepreneurial endeavors, as well as what can be done to encourage and ensure that they are successful.

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## AN EMPIRICAL STUDY ON CONSUMER ATTITUDE TOWARDS E- MARKETING IN CHENNAI CITY

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### ABSTRACT

With the advent of internet, it has created an integrally new experience for consumers regarding cluster of information, comparing the products with its price, quality, quantity and the possibility of purchasing through internet. As the literacy on internet increases the prospect of online marketing is also increasing in India. It has turned the entire world into a global village through advanced internet connect with which the online shopping has a major tributary in human being. And it has changed the way of consumers buying behavior of products and services through E-Marketing Internet is one component which has recently become the key element of quick and rapid life style. Internet is used for communication, connecting with people or for official purposes; „internet“ has become the central hub for all. While interaction in the real world shopping are mainly based on face-to-face activities between consumers and service providers, interaction in electronic commerce take place mainly through the retailers website. The study is focusing to study the behaviour of the consumers towards E-marketing in different perspectives. It also measures the satisfaction of the consumers towards services E-Marketing. This is a descriptive research made in Chennai city. The consumers' attitude towards the E-marketing services is with samples of 200 which have been selected using the convenient sampling method. The primary data have been collected using interview schedule and Google forms. The study concluded from the above result that satisfaction of young consumers is more than old age group respondents and the satisfaction is reduced when the age of the consumers increases.

**Keywords:** Consumer attitude, e- marketing and Chennai City

### INTRODUCTION

In the past, only a relatively small number of businesses and organizations conducted business online, and the majority of those that did not understand the concept of e-marketing. Now that times have changed, every company is interested in establishing its own website and is keen to make a profit from doing so. The digital marketing platform is a large instrument that offers unbounded options and market scope. Every person is able to study the majority of things online, but at the same time, everyone needs an expert who can guide them with the most up-to-date information and years of experience. However, in order for businesses to achieve rapid success in online marketing, they require multiple services provided by qualified professionals. Because of the continued growth of e-marketing, there is a dramatically growing need for specialists in the sector at this time. Because of the proliferation of social networking sites, an increasing number of users can be discovered on the internet. Hundreds of millions of individuals use social media to communicate with their friends and to express how they feel about various topics. For a corporation, the chance to raise people's knowledge of their product through the use of various media is a fantastic opportunity. The reputation of the brand can be swiftly built, and it is possible to engage with customers in order to form relationships. A company has the potential to see immediate success if they effectively utilize social media. However, businesses need a different approach, and it is imperative that they seek the assistance of skilled professionals in this regard.

E-marketing will cover a greater distance than traditional marketing, which is why online marketing is so popular across all age ranges. On a regular basis, consumers spanning a wide age range can be found making purchases online. The mentality of consumers is evolving together with the passage of time. Internet shopping has fundamentally altered the manner in which customers acquire goods and services, and concurrently, a growing number of businesses are adopting this method. The internet is utilised by businesses to convey, communicate, and spread information in order to facilitate sales of their products. Therefore, buyers use the internet not only to buy the product online but also to compare pricing, product characteristics, and verify reviews of the product before making a purchase decision. Online shopping is becoming increasingly popular among consumers because of the many convenient features it offers, such as cash on delivery, the ability to customize or personalize websites, home delivery, and many others. E-marketers need to use extreme caution when estimating the requirements of their customers and ensuring that the items and services they provide are tailored specifically to those requirements. E-commerce has been subjected to a significant amount of pressure, speculation, and criticism due to the widespread belief that selling goods and services via the internet has a great amount of untapped potential. The technology of the internet has the ability to bring about changes in virtually every facet of corporate operations. E-marketers serve as go-betweens for consumers and the businesses that produce the goods and services that they purchase.

### **INTERMEDIARY'S CHARACTERISTICS WHICH AFFECT THE CONSUMER BEHAVIOUR**

The Internet and other web-based technologies have profoundly altered the way in which businesses connect with their customers, conduct business with them, and communicate with their customers. Over the past several decades, it has evolved into a dynamic and virtual medium for selling the items and brands, both of which have undergone significant transformations. A few years ago, there was significantly less e-marketing and only a very small percentage of sales and purchases could be made through internet purchasing. But in recent years, due to improvements in the field of information and communication technology in recent years, e-marketing has seen a significant improvement. E-commerce is becoming increasingly popular among consumers as a convenient alternative to traditional purchasing in brick-and-mortar establishments. Establishing a digital presence in the media is now required of any firm that wants to remain competitive. E-marketing is expanding at a rate that has never been seen before, and businesses are already promoting their wares in online media in order to boost website traffic and quick product sales. In order to get necessities whenever they like, customers are increasingly turning away from conventional marketing practices and toward online marketing. The current study explores the attitude of customers towards electronic marketing (also known as "E-marketing") in India because there are a huge number of online marketers in India.

Online, E-marketing, E-commerce, customers, the internet, and customer attitudes are some of the key words here. In the realm of marketing, one of the most cutting-edge and cutting-edge technologies is e-marketing. E-marketing is distinguished from traditional marketing in a number of ways, including a higher rate of return on investment (compared to traditional marketing), a decrease in the cost of marketing campaigns, an expedited response to marketing initiatives, and simplified tracking and monitoring via web-based tracking capabilities. E-marketing offers many benefits, the most significant of which are an exceptionally low risk, a reduction in costs brought about by automation and the use of electronic media, and the possibility of achieving universal accessibility. Both the buyer and the marketer will find that e-marketing is more convenient than traditional marketing methods. It provides a reasonably big number of different options for the same product while maintaining affordable costs. However, in order for customers to use e-commerce effectively, they need to be up to date on the most recent developments in digital technology as well as financial and legal matters. In this way, its appeal is limited due to the requirement of High speed Internet connections, overly complicated websites, from the perspective of the buyer, the inability of customers to touch, taste, smell, or have the trail before making them purchase online, and the most significant of these is the concern regarding the safety of online payment methods, among other things. The mindset of consumers to buy their favourite brand and their involvement in the purchase process is one of the important factors that affects e-marketing. Other important factors that affect e-marketing include the fact that some people are aware of new trends, alternate choice of products or too many product, and consumers have a tendency to exhibit price and value sensitivity. Therefore, the internet has evolved into the platform that has enabled people to live more straightforward lives. People have been able to discover new ways of doing the same tasks that were previously done in a manner that was much

more complicated as a result of it. The research investigates the behaviour of customers in relation to online marketing.

## LITERATURE REVIEW

The Internet is a global communication network that is accessible to anybody, wherever in the world. It does this by connecting a vast number of computer networks together via a dense infrastructure of telephone lines. The expansion of Internet access is one factor that is driving the rise in the number of people using the internet all over the world. Over the course of the past 15 years, there has been a significant rise in the use of electronic marketing. Numerous businesses are devoting significant resources to the marketing of their goods and services through the use of the internet. However, when compared to the growth rates of other new technologies, its rate of expansion is significantly slower. A significant portion of the population in India, as well as in other developing and under developed countries, may not yet be familiar with computers and internet technology, which may be a primary contributor to the slower growth rate than was anticipated. Ashish Bhatt (2014)<sup>1</sup> stated that people, particularly members of the younger generation, are increasingly turning to the convenience of online buying. However, in the current climate, e-marketing will need to go a further distance to achieve the same level of success across all age groups. According to the findings of the research, the method of payment depends on the income level of the respondents. Regular internet shopping is something that is done by consumers of all ages. The mentality of customers is evolving together with the passage of time. Online shopping is becoming more popular in countries like India as a result of the numerous convenient features it offers, such as cash on delivery, the ability to customize or personalize website content, home delivery, and many others. Prashant Singh (2014)<sup>2</sup> in his article explored that future of e- Retailers in India are showing a lot of promise. E-retailers provide customers with the most effective means to save both money and time via the process of shopping online within their budgetary constraints. Flipkart.com provides customers with some of the best prices and a shopping experience that is completely free of hassle. The whole idea of shopping online has caused a shift in the way consumers make purchases or buy things, and the success of e-retailers in India is dependent on their level of popularity, the image of their brand, and the rules they have in place that are exclusive to them.

## SCOPE OF THE STUDY

E-marketing has been playing a momentous role in Internet and consumer behavior. The availability of internet and its ease of transactions has given an upraise in consumers understanding and decision making power. The availability of the internet, with its streamlined transaction processes, has contributed to an increase in both the understanding of, and the power wielded by, customers. The purpose of this article is to research consumer behaviour and its relation with e-marketing from the standpoint of its attentiveness, acceptance, and impact on the purchasing choice of customers. Specifically, the paper will focus on: These personnel had a unique reference to consumers' purchases of goods and services made through electronic media marketing perspective by its alertness, acceptance and impact on purchase decision of consumers.

## STATEMENT OF THE PROBLEM

The rapid expansion of the retail shopping industry, there is a growing interest in the investigation of the factors that genuinely encourage customers to purchase online. Because purchasing online has become such a common practice, it is essential to have a good understanding of how customers behave in the context of e-marketing. Therefore, it is vital to do an analysis, identify, and explain the factors that influence customers to shop online. Within the context of an economy based on awareness and acceptance, this research investigates the extent to which consumer behaviour leverages online marketing strategies.

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<sup>1</sup> Prashant Singh (2014), Consumers buying behavior towards online shopping, ABHINAV-National Journal of Research in Commerce and Management., ISSN-2277-1166, Vol -III, pp. 74-79

<sup>2</sup> Ashih Bhatt(2014), Consumers attitude towards online shopping in selected region of Gujarat, Journal of Marketing Management,ISSN-2333-6080, Vol.-02, No.-02, pp.21-27

## OBJECTIVE OF THE STUDY

The study is focusing to study the behaviour of the consumers towards E- marketing in different perspectives. It also measures the satisfaction of the consumers towards services E-Marketing.

## RESEARCH METHODOLOGY

This is a descriptive research made in Chennai city. The consumers' attitude towards the E-marketing services is with samples of 200 which have been selected using the convenient sampling method. The primary data have been collected using interview schedule and Google forms.

## ANALYSIS

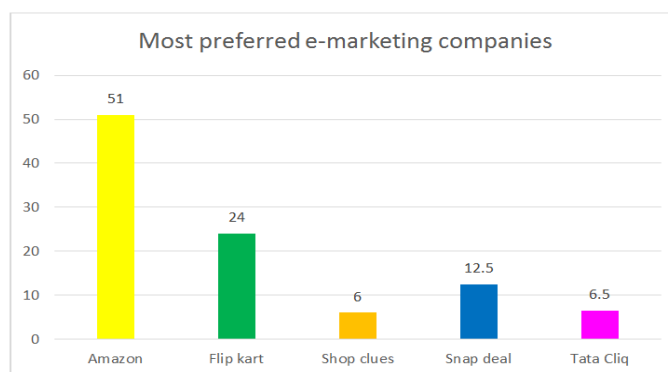
### 1. Consumers' behaviour towards the E-Marketing

The behaviour is analyzed in different aspects like most preferred e-marketing companies, purpose of using E-marketing services, the reason for believing the E-marketing and preferred mode of payment in E-shopping. The results are given below.

**Table 1: Most preferred e-marketing companies**

Preferred service provider	Frequency	Percentage
Amazon	102	51.00
Flip kart	48	24.00
Shop clues	12	6.00
Snap deal	25	12.50
Tata Cliq	13	6.50
Total	200	100.00

The above table shows that majority (51.00%) respondents prefer Amazon to buy things in online. 24 % (48) of the respondents like to buy in Flipkart and 12.5% (25) prefer Snap deal.

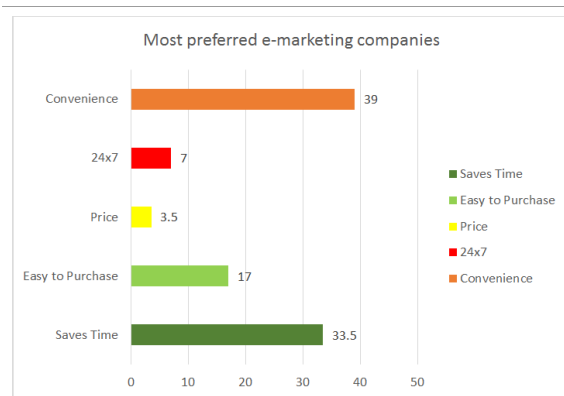


**Table 2: Purpose of using E-Marketing**

Motive	Frequency	Percentage
Saves Time	67	33.50
Easy to Purchase	34	17.00
Price	7	3.50
24x7	14	7.00
Convenience	78	39.00
Total	200	100.00

The Table 2 indicates that 78 (39.0%) respondents use the E-marketing as it is convenience to buy the products. Secondly, 67 (33.50%) respondents feel the E-marketing saves their time. 34 (17.0%) respondents say that the E-marketing helps them easy buying.

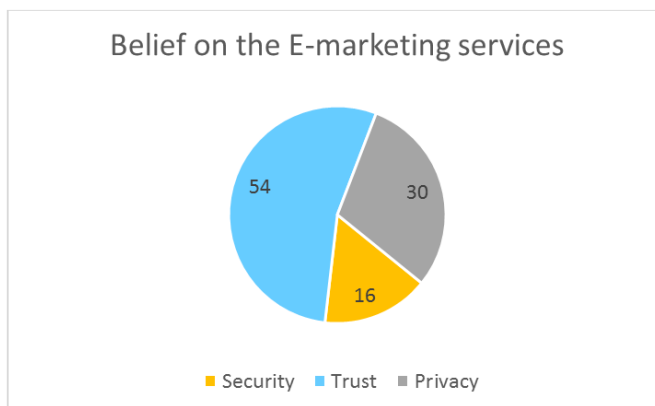




**Table 3: Belief on the E-marketing services**

Belief	Frequency	Percentage
Security	32	16.00
Trust	108	54.00
Privacy	60	30.00
Total	200	100.00

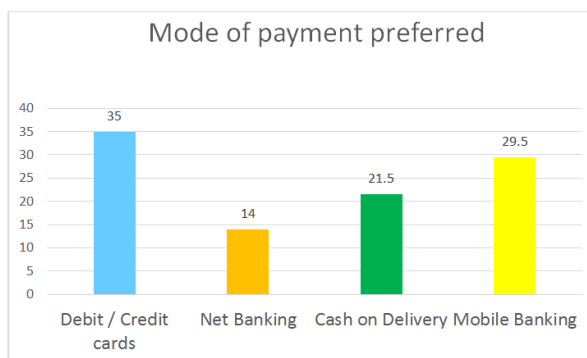
The respondents are asked to mention about their belief on buying the E-marketing services and product. From the security, trust and privacy options given, majority (54.0%) of the respondents trust the websites of the E-Marketing companies, 60 (30.0%) respondents say they feel privacy in buying the product through online shopping and 32 (16.0%) respondents feel secured in buying in E-marketing.



**Table 4: Mode of payment preferred**

Mode of Payment	Frequency	Percentage
Debit / Credit cards	70	35.00
Net Banking	28	14.00
Cash on Delivery	43	21.50
Mobile Banking	59	29.50
Total	200	100.00

The consumers buying products in E-Marketing have to pay through online or cash on delivery. The result from the above table shows that most of the respondents (35.0%) pay using debit or credit cards. 59 (29.50%) respondents pay using mobile banking and 43 (21.5%) respondents prefer cash on delivery system.



**2. Satisfaction**

The satisfaction of the consumers determines the success of the market. This study also analyze the satisfaction of respondents and its relationship with their age and gender. The result shows that most of the respondents 88 (44.0%) are moderately satisfied, 57 (28.5%) respondents are less satisfied and 55 (27.5%) are highly satisfied. The relationship between gender and age is given below.

**Gender and satisfaction**

Taste and preference of the consumers will differ based on their gender. The perception and expectation may also vary according to the gender. In this context, the relationship studied. The result s given in Table 5.

**Table 5: Relationship between gender and level of satisfaction**

Gender	Level of satisfaction			Total	Chi-Square
	Less	Moderate	High		
Male	48	42	20	110	29.249
	43.6%	38.2%	18.2%	100.0%	df
Female	9	46	35	90	2
	10.0%	51.1%	38.9%	100.0%	Sig.
Total	57	88	55	200	0.000
	28.5%	44.0%	27.5%	100.0%	

Most of the male (43.6%) respondents are less satisfied and majority (51.1%) of the female respondent’s is moderately satisfied. The chi-square test shows that the calculated value (29.249) for the degree of freedom 2 is above the table value. Hence, it is concluded that there is significant relationship between the gender and level of satisfaction towards E-Marketing that male consumers are less satisfied and female consumers are moderately satisfied.

**Age group and satisfaction**

Age shows the experience and maturity of the consumers which could have impact on their satisfaction. The respondents are grouped into young (less than 25 years), middle age (26 to 40 years) and old (more than 40 years). The relationship between age and level of satisfaction is given below.

**Table 6: Relationship between age and level of satisfaction**

Age group	Level of satisfaction			Total	Chi-Square
	Less	Moderate	High		
Young	14	27	34	75	23.091
	18.7%	36.0%	45.3%	100.0%	df
Middle	24	43	11	78	4
	30.8%	55.1%	14.1%	100.0%	Sig.
Old	19	18	10	47	0.000
	40.4%	38.3%	21.3%	100.0%	
Total	57	88	55	200	
	28.5%	44.0%	27.5%	100.0%	

The Table 6 shows that most of the young respondents (45.3%) are highly satisfied, majority of the middle age group respondents (55.1%) are moderately satisfied and most of the old age group respondents (30.8%) are less satisfied. The Chi-Square value (23.091) for the degree of freedom 4 is found significant. The significant value is 0.000 (<0.01). It is concluded from the above result that satisfaction of young consumers is more than old age group respondents and the satisfaction is reduced when the age of the consumers increases.

## CONCLUSION

Customers now have the ability to compare products in terms of price, quality, quantity, and whether or not they can be purchased online thanks to the proliferation of the internet. Customers will have never encountered anything like this before. The increasing rate of internet literacy in India is directly correlated to the expanding opportunities for doing economic activities online in the country. The whole world has become a global village as a result of advancements in internet access, and the emergence of online shopping is one of the most major factors that has contributed to this shift. Within the context of the current economy, corporate activities cannot function without the incorporation of e-marketing. E-commerce, sometimes known as online purchasing, is a time- and labor-saving method of conducting business. The ads that are broadcast on television are the forms of media that have the biggest impact. E-shopping is becoming increasingly popular with employees for a variety of reasons, including the fact that it is very handy, that it helps save a lot of time, and that it is quite economical. The efficacy of the online marketing has been praised positively by the large majority of those who responded.

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## **RURAL ENTREPRENEUR DEVELOPMENT OF STARTUP IN INDIA – CHALLENGES AND OPPORTUNITIES**

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### **ABSTRACT**

In a society dominated by males, more and more women are taking the initiative to create their own businesses, and they are doing it with novel and original strategies that will help them achieve their goals and realize their dreams. Women have been able to effectively confront the world and create their own identities in spite of the many obstacles they have faced, such as family obligations and problems with finance. The purpose of this research is to investigate the role that female-founded businesses play in the expansion of the economy and to identify the numerous variables that inspire and motivate women to establish their own businesses. This research also provides a deeper understanding of the opportunities and prospects available to female entrepreneurs via the Start-up India programme of the Indian government, as well as the problems they confront. Rural entrepreneurship has developed into a dynamic notion in the modern day. In common usage, the term "rural entrepreneurship" refers to "entrepreneurship that emerges at the village level" and "entrepreneurship that can take place in a variety of fields of endeavor such as industry, business, agriculture and act as a potent factor for overall economic development." When compared to previous times, the development of rural communities has become more related to entrepreneurial endeavors.

**Keywords:** Women rural Entrepreneur, Startup India, Challenges and opportunities, conceptual ability

### **CONCEPT OF WOMEN ENTREPRENEURSHIP IN STARTUP INDIA**

There has been a steady increase in the number of individuals moving from villages to cities in India due to the growing urbanization of the country as well as the limited possibilities available in rural areas. Although there are a variety of factors that might be ascribed to this massive migration, the absence of relative development in India's rural areas is almost certainly one of them. Despite the fact that approximately 70 percent of the country's population still lives in rural regions, villages continue to not get the attention that they really deserve. In spite of the efforts made by previous administrations, rural development has not kept pace with the level of anticipation that was initially established. Even companies that normally devote millions of dollars to corporate social responsibility (CSR) don't bother to visit India's rural areas.

Indian women are becoming digital women, and they are accomplishing extraordinary things in their own unique ways. Not only are they able to balance their work and family responsibilities, but they are also making significant contributions to the growth of the Indian economy. They are reflecting their strength in the startup environment as a result of the enhanced degree of knowledge they have obtained. In a society dominated by males, more and more women are taking the initiative to create their own businesses, bringing with them fresh and original perspectives on how to run successful enterprises and how to realize their ambitions and objectives. Women have been able to effectively confront the world and create their own identities in spite of the many obstacles they have faced, such as family obligations and problems with finance. To begin, the present environment for women-led startups is really favourable. There is a discernible shift happening that favours new business owners and startup companies. India has become one of the top three nations in terms of the number of new firms that have been formed, and it is now the location of more than 4,000 different startup companies. Investors are eager to begin investing, and there has been a remarkable growth in the number of incubation

facilities and supporting ecosystems for startups. Concurrently, the present situation is also changing, and society has begun to realize that women entrepreneurs have the ability to be tenacious, confident, competent, enthusiastic, and adaptable when it comes to running a firm. It is not surprising that more women are turning into entrepreneurs, nor is it surprising that women leaders are the segment of the self-employed entrepreneurs that is growing at a faster rate than men. Coupled with the freedom – risk taker, intellectual, creative, and personal and managerial competencies for running their own enterprise, it is not surprising that more women are turning into entrepreneurs. The idea of women in India starting their own businesses is still relatively new but is becoming more important to the country's overall economic development.

Women entrepreneurs are defined by the Government of India (GO12006) as "an enterprise owned and controlled by women having a minimum financial interest of 51 percent of capital and giving at least 51 percent of employment generated in the enterprise for women." This definition requires that the enterprise be owned and controlled by women and that it must give at least 51 percent of the employment generated by the enterprise to women. When it comes to business ownership, there is no distinction made between women and men in terms of their potential or actual success. One may say that this represents a significant shift in mentality among Indian women. Because of this, an increasing number of women are venturing out into the male-dominated realm of business. The preceding years have seen a rise in the number of women who are interested in technology. They are also much more equipped to go into business ownership because to the proliferation of digital media.

Damwad, (2007)<sup>1</sup>, discussed of the experiences, activities, and challenges that have been encountered in the pursuit of women's business ownership in the Nordic nations of Finland, Denmark, Iceland, Norway, and Sweden. It generally outlines several difficulties such as funding, lack of information & skills in company life, markets & entrepreneurial activity, work life balance including lack of development & wants to expand and most significantly women as other groups are diverse. The research investigates the differences and similarities between early stage male and female entrepreneurial activities in Nordic nations and in the United States. In addition to this, it analyses and evaluates a variety of programmes and schemes produced by Nordic nations and the organizations that assist these nations.

### **KEY CHALLENGES AND OPPORTUNITIES FOR INDIAN STARTUPS AND ENTREPRENEURS**

India is a market with tremendous potential for new businesses and new entrepreneurs. Despite this, there are a few significant obstacles that are notoriously hard to overcome for newly established companies. It is impossible for new company owners and startups to develop a successful enterprise without first overcoming these obstacles. If you are just starting out in the business world, you should be prepared to face the obstacles as well as the chances that may come your way. On the campus of IIT Bombay, the Entrepreneurship Cell, also known as E-CELL, hosted a national level E-Summit that lasted for two days. During the course of this event, a number of notable figures from a variety of fields and organizations presented their expertise on a variety of topics related to entrepreneurship. Amitabh Kant, CEO of Niti Aayog, recently gave a talk on the most important difficulties and possibilities facing new and rising firms in India. On the basis of the information that Amitabh Kant has provided to us, we have developed a list of a few factors below that separate India from other nations.

**Ecosystem:** Kant had the opinion that "The Indian government is assisting beginning businesses and entrepreneurs by getting rid of outdated regulations that have been in place there for over sixty years." The current government of India has released a new set of regulations and guidelines in an effort to encourage creative activity throughout the country. The 'The Startup India' initiative is a flagship programme with the goal of easing the burden of government laws and regulations on new businesses. When it comes to taxes, exemptions are granted throughout the process, making compliance easier and cutting down on requirements. The Startup India Hub functions as a centralized information clearinghouse with the purpose of assisting newly established companies. Startups now have the ability to register their businesses using this platform by only filling out a brief form from a single point of contact, which can be done either online or through the mobile app. Additionally, the number of registration paperwork required for a new business venture has been cut in half, and there are now only three of them.

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<sup>1</sup> Damwad, (2007), Women Entrepreneurship – A Nordic Perspective, August 2007, Nordic Innovation Centre

**Globalization:** Entrepreneurship and globalization are not mutually exclusive concepts. The spread of globalization paves the way for technical advancements, which in turn make it easier for business owners to secure their companies' continued success. According to Kant, "globalization is the key to success and in order to do this, it is vital to dream large." If they keep expanding into new markets, entrepreneurs will naturally expand their businesses. Therefore, it indicates that it is highly crucial for business owners to integrate themselves into the global economy.

**Competition:** Competition presents business owners with an opportunity to maximise their gains. The creative process benefits from healthy competition, which also assists along the path to new skill acquisition. Kant is of the opinion that rivalry between states will result in an increase in the number of startup businesses since it will promote talent and lead to an increase in investments among startup systems. Additionally, it will devise a variety of strategies for the administration of water and the upgrading of agricultural practices. There is a large network of investors who are willing to provide assistance to companies that are working toward expansion in an environment that is fraught with competition..

**Population:** In contrast to the western world, India has a population that is more than 72 percent youthful and under the age of 32 years old. This fact makes India a more attractive destination for those who have an entrepreneurial mindset. However, Kant pointed out that India has to expand at a pace of 9% by closing the gender gap in order to be successful. The discrepancy between the percentage of women's contributions to the overall GDP in this country, which is just 17 percent, and the worldwide average of 30 percent is significant.

**Innovation Hubs:** The country of India is developing into a prime location for innovation, and cities such as Bangalore and Hyderabad, along with a number of others, are among the most prominent names on the list of innovation centers. These cities have a well-developed infrastructure to support inventions. In addition, a large number of multinational corporations (MNCs) have moved their headquarters to these cities in order to take advantage of the cost-saving technologies that are being developed there. As a consequence of this, these hubs have also opened up new opportunities for graduates of IITs who have creative business ideas but lack the necessary support structure to turn these ideas into enterprises.

#### **CHALLENGES -RURAL ENTREPRENEUR DEVELOPMENT OF STARTUP IN INDIA**

India is confronted with a number of obstacles, such as population growth, poverty, inadequate sewage and water management, excessive use of plastic, and so on; these problems, along with others, need to be resolved by creative means. According to Kant, the Silicon Valley region has the fewest difficulties but the maximum quantity of inventions. On the other hand, India has a large number of issues but a relatively small number of solutions, which creates opportunities for companies that have original business concepts. Another significant obstacle to overcome is urbanization, the solution to which is to pique the attention of overseas investors in novel concepts concerning, for example, climate change and electric cars.

**Poor Funding Prospects:** There are significant gender inequalities in the financing landscape in India, which may seem as unjust as it really is. Because of the biases of investors and other issues, women-owned enterprises in this nation have a difficult time gaining access to finance. Only 12% of the businesses that were funded in 2019 had at least one female founder, despite the fact that far more women than men started businesses. Many venture capital firms and angel investors are hesitant to make investments in companies that are run by women, while banks and other financial institutions see women as having lower creditworthiness. In addition, a significant number of Indian women do not have any property or assets registered in their names, which presents a challenge when trying to get collateral loans or private funding.

**Lack of Access to Professional Networks:** Women business owners in India face a number of fundamental challenges, one of the most common of which is restricted access to professional networks. According to the findings of a study conducted by Google and Bain, female entrepreneurs have a lower level of integration into official and informal networks. According to the results of the poll, over 45 percent of urban small company owners are negatively affected since there are not enough opportunities for network growth. According to other studies, the majority of the current professional networks are controlled by males, making it challenging for women to enter or traverse such environments. As a direct result of this, they lose out on chances to expand their company, discover new partners and suppliers, and increase their social capital.

**Pressure to Stick to Traditional Gender Roles:** Both men and women are socialized to perform specific predetermined gender roles as a result of patriarchal conditioning. Women are expected to do tasks like as cooking, doing housework, raising children, caring for the elderly, and other similar activities. It is difficult enough to juggle the duties of your family and your career without adding the additional pressure of trying to establish a brand to the mix. Women entrepreneurs encounter a number of problems, one of the most significant of which is the urge to adhere to established gender norms. They are often counselled to give up their entrepreneurial pursuits in favour of "easier" jobs that would allow them to devote more time to their families and children. In addition to this, society looks down on women who priorities their careers above other aspects of their lives.

**Lack of Social and Institutional Support:** The majority of female entrepreneurs do not get the necessary social support to launch their businesses from their families, peers, or the immediate ecosystems in which they operate. Women company owners throughout the nation confront a number of significant obstacles, one of the most significant of which is a dearth of mentoring from members of the business community. When it comes to the backing of institutions, the situation is not much different. Even though there are programmes designed to encourage female entrepreneurs, many women do not obtain timely counsel or assistance from the government even if there are such programmes. Their lack of confidence and their capacity to take chances are both negatively impacted by the absence of an adequate support network.

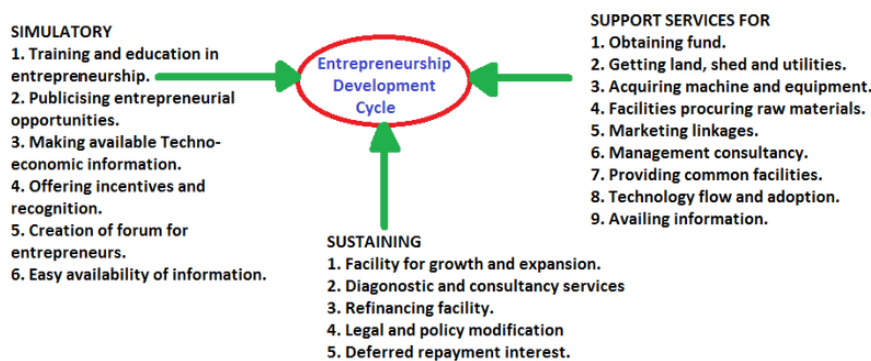
**Product Choice:** The first issue, albeit not one that is exclusive to either gender, is the selection of the product or service. Women, just like any other potential entrepreneurs, need to develop the ability to pick and determine for themselves whether they want to engage in manufacturing or trade activities, as well as the disposition to take risks that are reasonable and modest..

- i. **Identity:** It's possible that some ambitious women may hit a mental roadblock over who they are. In a culture that is dominated by patriarchy, women are often referred to by titles such as "wife," "daughter," and "mother," which obscures their unique identities. Rarely are they self-assured in their capabilities and competencies. As soon as they are able to circumvent this obstacle, they will be able to become successful businesspeople and establish a separate identity for themselves as well as their goods or services.
- ii. **Marketing:** The majority of female entrepreneurs struggle with various aspects of marketing. Because some people are responsible for a variety of tasks inside their separate businesses, they are forced to establish priorities among those tasks, which often results in marketing receiving less of their attention.
- iii. **Accounts and Finance:** The common impression is that women are skilled at record-keeping and very analytical in their approach to topics pertaining to their finances. However, this by itself will not be of much use to them. The majority of people who start their own businesses do not have basic understanding about accounting, and they are generally unaware about the terminology and processes used in banking. This may be the case due to the fact that they may have placed a greater emphasis on production and sales. Although the fields of accounting and financial management are distinct in and of itself, it is important for women to have a fundamental understanding of both.
- iv. **Motivation:** Not many women have the good fortune to have family members that are supportive and empathetic in the event that they fail at anything. To have a good influence on the company, it is important to cultivate a number of attributes, including initiative, self-reliance, self-confidence, and a positive frame of mind.
- v. **Problem-Solving:** The majority of women, whatever their capabilities, experience tension and pressure whenever there is a problem. This again may be due to the fact that multiple responsibilities on the household and professional fronts, which are almost always at odds with one another, cause the situation.
- vi. **Life Style:** The lifestyle of a woman entrepreneur is markedly unique from that of executives who work the traditional "9 a.m. to 5 p.m." schedule, and it may include maintaining unpredictable working hours. Those who are interested in the development of women's entrepreneurship need to have a complete understanding of all of these factors. The government of India has been making significant attempts to

direct the talents and abilities of women into pursuits that would provide economic growth and commercial opportunities. The government also reduced the definition of women enterprise by removing the criteria that women enterprises must employ a majority of women employees and units in which women entrepreneurs must own a majority shareholding and be in charge of managing the business. This modification plainly places more of a focus on women starting their own businesses, marking a major move away from women finding work as the primary reason to promote. The Small Industries Development Bank of India (SIDBI) has been supporting entrepreneurship development programmes for women in order to create and develop necessary entrepreneurial qualities among them. These qualities will allow them to establish small scale and ancillary industries, not only as self-employment but also to generate jobs for people in their immediate environment.

### RURAL ENTREPRENEURS IN INDIA

The issue is fundamental development, which refers to the process of developing one region at the expense of developing certain other locations, with consequent accompanying issues of underdevelopment. For instance, we have seen cases of unemployment as well as underemployment in the rural areas, which has resulted in a migration of people from the countryside to the urban areas. What is required is the creation of conditions that will result in a reduction in the number of people moving from rural to urban regions. Migration in and of itself is not necessarily unwanted; but, when it comes to issues of employment, it should be kept to a minimum. Instead, the circumstances should be designed in such a way that individuals consider it beneficial to relocate from urban and suburban settings to more rural places because they become aware of the superior employment prospects available there.



People living in rural areas have been important contributors to the process of rural development. Even while their efforts should be acknowledged, there is still a significant amount of work that has to be done in order to change the flow of people, namely to encourage more people to live in rural regions. It entails not only putting an end to the movement of people from rural areas to urban and suburban areas, but also luring those individuals back to their former homes in the countryside. When young people see rural regions as locations where possibilities exist, this is something that is achievable. In spite of the fact that rural regions have many deficiencies, one should evaluate their strengths and build on those characteristics in order to create rural areas locations where possibilities may be found. People who would want to accomplish something meaningful and are willing to go through a tough route to reach their objectives will undoubtedly have a different way of thinking than those who have survived something traumatic or are looking for work. It's not that there aren't enough people out there with that kind of mentality. But as time goes on, people alter their views and decide to join the ranks of those looking for work owing to a variety of factors. The need to encourage rural residents to think optimistically, creatively, and entrepreneurially is a pressing issue that must be addressed urgently if rural regions are to see growth.

### STARTUP INDIA SCHEMES FOR OPPORTUNITIES FOR RURAL ENTREPRENEURS

The active participation of the government in the facilitation of new business ventures would, without a doubt, provide a significant boost. There was a period in India when working for the government held a significant



amount of prestige. Access to finance may be challenging for newly established businesses. The inability of new businesses to get funding from investors or loans from financial institutions is a persistent challenge faced by new businesses. In spite of all the promise, banks are not providing loans to companies that do not have a previous credit history. Even if they are able to get a significant amount of initial funding, new businesses often struggle to maintain their operations because they are unable to keep up with their income and expenditures. This is typically the result of shifting economic conditions. Finding the proper kind of human power with the correct skills is another one of the main challenges that entrepreneurs face. Because of the enormous need for skilled labour in India, the National Skill Development Corporation (NSDC) has been given the responsibility of training 150 million Indians by the year 2022. It is difficult for a startup to attract and hire talented and skilled workers because they cannot match the salary level given by large, established companies and they also cannot offer job security on a long term basis. This makes it difficult for startups to compete for talent and skilled workers. The failure of a startup is something to be ashamed about. In the majority of instances, people do not get uplifting counsel in response to their failures. People are sensitive about the risks they take and the benefits they get, and the Indian economy, which is very price sensitive, makes the issue much worse. The appropriate kind of mentoring is not readily accessible.

There is a possibility that guidance from more experienced individuals and opportunities to improve one's skills may not always be available. Even if someone has the ability to start something, and even if that item has the potential to be extremely innovative, if that something does not meet the correct direction to develop it into a profitable company, then that concept will continue to be useless. It is quite challenging to get a sense of the consumer mentality in the Indian market due to the huge demographic variety. One may discover a shift in taste, customs, and behaviours literally after every 30–40 kilometer area. Even if a company is successful in understanding the consumer mentality, it will not be able to satisfy all of the customers' requirements. The majority of new businesses fail because their founders get stuck when trying to figure out their plans. Another challenge is the location. The location is also important when considering investment activity. Additionally, a connection has been made with Startup India. With TAV tech Ventures, a non-profit educational organization that is creating a platform for collaborative innovation amongst students from the United States of America, Israel, and India to develop start-ups. The establishment of the Globe Trade Organization (WTO) and the subsequent series of negotiations that took place under the Uruguay round brought about a shift in the economic order of the world. The previous protectionist policies of the Indian government have been abandoned, and the country's economy has been opened up to the global market. There is no question that this has assisted the Indian economy in regaining its vigour, which has led to a solid economic position as a consequence of the influx of foreign money and technology.

The growth rate of gross domestic product (GDP) has been more than six percent annually over the better part of the previous two decades. Despite this, the new economic order has presented significant difficulties to those working in the agricultural and rural areas of the economy. In general, it seems to show that openness is beneficial to speedier development. However, there is still the issue of what this may do for rural firms, which is especially important given the minimal amount of foreign direct investment (FDI) that goes into agricultural, least of all agriculture on a small scale. The impact that globalization has on businesses located in rural areas will differ depending on how the GDP and the distribution of income change. The research shows that rural entrepreneurs as a whole are largely included as benefactors from economic progress. However, the degree to which individuals are included varies greatly from country to country. As was said previously, openness and free trade are factors that lead to quicker economic development. In proportion to the degree to which the agricultural industry is incorporated in the development of the economy, it is reasonable to anticipate that growth will be especially beneficial to rural entrepreneurs.

## **RURAL ENTREPRENEURSHIP CHALLENGES FOR STARTUP INDIA**

The major effects of Startup India schemes for rural entrepreneurship which is seen in recent years are as follows:

**1. Productivity and efficiency effect:** It is often believed that increased productivity is the outcome of globalization because of the expanded access to markets throughout the world, more opportunities for specialization, and increased ability to leverage economies of scale and scope. Indeed, being subjected to

competition on a global scale has the potential to bring about very high levels of both production and efficiency. On the other hand, it is of far less significance for major economies such as India. The potential for rural entrepreneurs to make substantial benefits is high due to the fact that startup India improves the country's capacity to capitalize on comparative advantages resulting from different natural and ecological environments. These reasons undoubtedly appear to favour rural business owners when seen from the perspective of national policy. There are a great number of other issues that put people who live in rural areas at a disadvantage. The vast majority of them do not have access to the technologies and market knowledge that would make it possible for them to meet quality criteria and specifications and also successfully react to new possibilities as they arise. They almost never have access to credit or other financial services, which severely limits their ability to compete in today's contemporary world. Many business owners must contend with expensive transportation and input expenses, which further hinder their capacity to remain profitable and accomplish their projects.

**2. Economic growth effect:** At the moment, one of the most compelling arguments in support of India as a location for startup companies is the favourable connection between globalization and rural entrepreneurship in India. Because there is a possibility that prospective advantages may include enhanced access to managerial skills and international technologies. There are many different points of view regarding the connection that exists between openness to trade and the expansion of rural entrepreneurship, and this has also given rise to a large body of empirical literature, which suggests that there is a positive relationship between openness to trade and the expansion of rural entrepreneurship. The inflow of foreign technology and cash will allow the Indian economy to regain its former vigour, which will ultimately result in an improved economic position. The growth rate of the gross domestic product has been more than six percent annually over the better part of the previous two decades. New economic policies, on the other hand, have presented rural and agricultural areas of the economy with significant difficulties to overcome. When taken together, the findings presented above point to openness being a factor that supports quicker development. The issue of what this would do for rural entrepreneurs and businesses continues to be addressed, which is especially concerning given the low level of foreign direct investment (FDI) that occurs in the agricultural sector. The findings of a number of studies point to the conclusion that rural business owners and operators as a whole are, to a significant extent, included among the beneficiaries of economic expansion.

**3. Technological effect:** In the past, a great number of small rural company owners saw significant growth in their companies, but these gains were only realized by a very tiny portion of the total market and by a small fraction of the total number of business owners. The opportunities and risks presented by biotechnology are now the primary topics of discussion. In theory, there might be significant advantages associated with this as well. The advantages may include increased output, decreased costs of food, and a decreased likelihood of damage from pests and drought. Research in biotechnology has become considerably more applicable to the challenges faced by high-income nations in recent years. The advantages almost always seem to be unique to situations, markets, or other contexts that are very specialized. In addition, a few number of multinational businesses are responsible for the majority of the research that is carried out in rural regions.

**4. Transformational and insecurity effect:** The generation of money is not always directly proportional to rural entrepreneurship in and of itself. It's also possible to use it to allude to a very high sense of insecurity. Those who have managed to better their situation sometimes find themselves in a worse one as a result of natural catastrophes, fluctuations in inflation or deflation, or other shocks. There are several reasons why startup India plans exacerbate these kinds of challenges. In most people's minds, the term "startup India" conjures up images of increasing levels of competitive pressure and a heightened rate of economic transition. Because of this, rapid adaptation is required, which may be beyond the capabilities of those who have a limited number of contemporary skills or certain other advantages.

**5. Policy Government of India** has discriminated against the agriculture and all those enterprises that which dependent on rural areas. This discrimination has typically taken the form of overvalued exchange rates, state trading monopolies for domestic as well as external marketing of agricultural commodities. Additionally, the revenues from commodity exports have been certainly used for the growth of urban development and civil services, rather than reinvestment in agriculture.

## **SIGNIFICANCE OF ENTREPRENEURIAL ENVIRONMENT**

The study of the sociopolitical and economic environment has a significant impact on the development of entrepreneurship, both from a social and economic perspective. The modern corporation is often seen as a social as well as an economic entity, and as such, it is subject to the influence of political, social, and economic factors. The political environment, industrial policy, licensing policy, foreign exchange laws, financing policy, technical advancement, and social change all form part of the framework within which a business is required to operate. Because of these factors, it is imperative that the foundation of any and all company strategies be the surrounding environment. Without considering how relevant the plan will be to political, social, economic, and technical needs, it is impossible to develop and finish an entrepreneurial strategy for subsequent execution. In point of fact, the environment is the factor that controls the activity of entrepreneurs. The presence of a favourable business environment has a beneficial effect on the growth of entrepreneurial endeavors.

The procedure will assist in transforming the current actual environment in India into a genuine location of chances. It is a well-known truth that rural entrepreneurs face significant difficulties as a result of the lack of availability of fundamental amenities and an environment that is conducive to conducting business or that makes conducting business easier in rural regions. In addition to this, rural company owners have to contend with fierce rivalry from large metropolitan companies as well as long-established urban business owners. Because of the high cost of their inputs, they have a high cost of manufacturing. The term "middlemen" is commonly used to refer to those who exploit rural company owners because of the tremendous challenges that are prevalent in the rural business area. In general, it has been observed that rural business owners rely on intermediaries for the marketing of their goods, even when these middlemen, to put it bluntly, steal the entrepreneurs' hard-earned money. Storage facilities and inadequate means of communication, in addition to difficulties in marketing, are obstacles that stand in the way of the success of so-called "country entrepreneurs." Business organizations may benefit significantly from visiting rural locations. There are a number of advantages to doing business in rural locations, including reduced levels of competition, fewer construction and insurance costs, and personnel costs, as well as a climate that is more conducive to relaxation, which translates to a less stressful working atmosphere. Businesses in rural areas are often rather modest in size. They launch their company with a limited number of workers and a modest amount of funding. In conclusion, an individual is considered to be an entrepreneur if they have the ability to discern whether or not it would be possible for them to launch their own company, if they are creative, if they possess the fortitude to deal with difficulties and ambiguities, and if they are astute enough to use their resources, including their human resources, as well as the technological tools that are at their disposal in order to make a profit along the way.

## **CONCLUSION**

Entrepreneurs in rural areas undoubtedly play an important role in the country's overall economic development. They are very important in the process of transforming underdeveloped countries into developed nations. In order for a company to be effective, the economic policy climate of the nation in which it operates must at all times be favourable. In the case of startup India plans for the global market. The economic policy of a country should also make it possible for entrepreneurs to provide a creative, rapid, flexible, and self-determined sense of self-determination to any organization, regardless of whether it is in the public, private, or joint sector. As a result, the government need to place a greater priority and attention on integrated rural development projects. Additionally, the majority of young people living in rural areas do not see becoming business owners as a potential career path. Because of this, businesses and the government should develop programmes of training and ongoing support that provide all of the help that is required in order to encourage young people from rural areas to choose entrepreneurship as a career path. The idea behind the creation of Start-up India was to provide entrepreneurs in the nation access to a future that has a great deal of potential. The new efforts were a huge step in the right direction toward ensuring the success of new businesses. People who sought to start a company via this medium were given a significant helping hand by a number of these efforts, which included making the registration process simpler and more expedient, allowing self-certification, and conducting no inspections for the first several years.

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## GROWTH AND SUSTAINABILITY OF START-UPS IN MSME- ISSUES AND CHALLENGES

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### ABSTRACT

Entrepreneurs are the motivating force behind generating and developing new businesses. The abilities that can help to launch a business are not the same as those need to help it grow. Small business owners strengthen the development and growth of local communities. However, many small businesses do not survive beyond 10 years. Growing businesses face a lot of challenges. As a business grows, diverse problems and opportunities mandate different solutions - what worked a year ago might now be not the best methodology. Distinguishing and overcoming the common snares related with growth is essential if a business is to continue to grow and prosper. Hence, there has been an obvious increase in academic literature in the field of sustainability administration and related gears and methods. Even so, rising indication places stress for the inclusion of startups and micro-enterprises in the sustainability discussion. The objective of the study is to analyze the problems and challenges of the new startups in MSME in the Chennai City. The study is in descriptive nature carried out in Chennai City. 100 new startups were selected as samples and their problems are observed using survey method in the study area. Each problem is measured with 5 point Likert scale. The nation's micro, small, and medium-sized businesses are often referred to as "the backbone of our economy." They are responsible for a significant extent of both the output and employment of our industrial sector. In order to ensure further improvements in their contributions to the economy – in terms of job creation, export potential, and a better standard of living for millions of families.

**Keywords:** Growth, Sustainability, start-ups and MSME

### INTRODUCTION

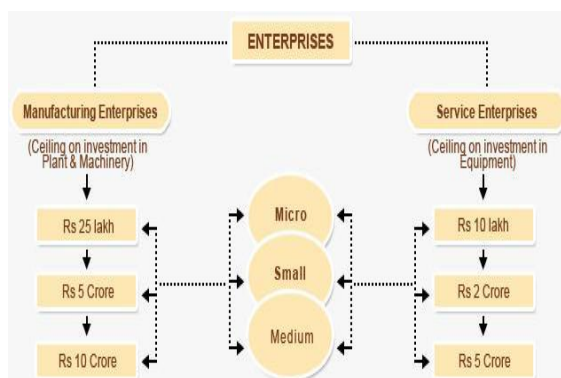
The MSMED Act of 2006 in India defines Micro, Small, and Medium Enterprises (MSMEs) on the basis of the capital investment made in plant and equipment, excluding investments in land and building. This definition applies to businesses with fewer than 500 employees. The Central Cabinet has recently gave its approval to a paper that proposes altering the current definition of micro, small, and medium-sized companies (MSMEs). The Micro, Small, and Medium Enterprises (MSME) sector of the Indian economy has evolved into a highly active and dynamic sub-sector of the economy over the course of the previous half century. MSMEs not only play an important part in supplying large employment opportunities at capital costs that are comparatively lower than those of large industries, but they also help in the industrialization of rural and backward areas, which helps reduce regional imbalances and ensures a more equitable distribution of national income and wealth. This is because MSMEs play a crucial role in providing large employment opportunities at capital costs that are comparatively lower than those of large industries.

The objective of the Mission for Micro, Small, and Medium Enterprises (MSMEs) is to promote socioeconomic progress, which would ultimately lead to an increase in the GDP rate through using efficient mechanisms in the Indian economy. On the other hand, the converse is true at this time, since the nation in question now has a population that is plagued by unfavourable unemployment, poverty, and a lack of growth. This implies that the number of young people being driven into the labour market as well as the number of people living below the poverty level have both been continuously growing. Additionally, this suggests that the number of individuals living below the poverty line has been constantly increasing. Although some of the problems that micro, small, and medium-sized companies (MSMEs) face are under the firms' own control, some obstacles originate from the

outside world and are thus beyond the firms' ability to address. In view of this reality, it is realistic to predict that the failure rate will begin to reduce as a consequence of some type of organized effort, and this is something that can be expected to happen sooner rather than later. One manner in which the government can be seen to play a part in the economy is via the numerous programmes that are designed and carried out by the government in order to satisfy the typical needs of MSMEs.

### ROLE OF MSME

As a consequence of the considerable contributions they have made to the overall socioeconomic growth of India, the micro, small, and medium-sized companies (MSME) in that country occupy a position that is one of a kind inside the country. Micro, small, and medium-sized firms, together referred to as MSME, have on a consistent basis been recognized for their substantial contributions to India's overall industrial strategy. The growth of micro, small, and medium-sized companies (MSME) assists in halting the exodus of people from rural to urban regions in quest of job opportunities. Additionally, it helps contribute to other socioeconomic factors, such as the narrowing of income gaps, the decentralized growth of businesses, and links with other sectors of the economy. In point of fact, the Government of India has acknowledged that the promotion of micro, small, and medium enterprises (MSME) in addition to rural industrialization is a powerful instrument for the achievement of the twin goals of "accelerated industrial growth and creating additional productive employment potential in rural and backward areas." The arguments that are presented here provide insight on the contribution that they have made. It is essential that we acknowledge the importance of the contributions made by these businesses to the balanced development of the regions of our country. Small enterprises account for 95% of India's total industrial units. They result in the establishment of a bigger number of job opportunities for each individual unit of capital invested, in compared to the main sectors. As a consequence of a greater labour intensity, despite the fact that they have a lower capital intensity. This is a gift for a country like India, which has an excess of labour and can thus benefit greatly from it. (iii) The micro, small, and medium-sized enterprises (MSMEs) in our country produce a huge variety of goods, including those for mass consumption, readymade garments, hosiery goods, stationery items, soaps and detergents, domestic utensils, leather, plastic, and rubber goods, processed foods and vegetables, wood and steel furniture, paints, varnishes, safety matches, and other items. Some of these products include readymade garments, hosiery goods, station.



*Source: Micro, Small and Medium Enterprises Development Act, 2006*

### START-UP INDIA SCHEME

The prosperity of any country's economy is directly proportional to the population of that nation. The higher the number of people who are contributing to the economy via their labour, the more the economy will profit. The government of India came to the conclusion that its people have the capacity to work hard; all they want is a head start in their respective fields of endeavour. There are a lot of individuals out there who have the dream of starting their own business, but they are unable to do so for a number of reasons, including the fact that they do not have enough money or other difficulties. As a consequence of this, the government of India, which is helmed by Narendra Modi, has settled on the idea of bestowing a gift in the shape of a countrywide initiative that is being referred to as "Start up India."

## **SCHEMES COVERED UNDER RESEARCH AND FRAMED BY THE GOVERNMENT OF INDIA FOR SME SECTOR:**

1. **The National Program for the Improvement of Manufacturing Competitiveness (NMCP):** In order to make Indian micro, small, and medium-sized firms (MSMEs) more competitive on a global scale, the purpose of the Program is to improve the MSMEs' processes, designs, technologies, and market access. The objective of the Program is to make major investments in the direction of enhancing the performance of the whole value chain of the MSME industry. The 10 main components of the NMCP have already been put into practice, and it is believed that they would foster innovation and development in the field of MSME. Included in this category are Quality Management Systems and Quality Technology Tools, the Design Clinic Scheme, Building Awareness on Intellectual Property Rights, Support for Entrepreneurial and Managerial Development, Marketing Support/Assistance to MSMEs, Setting up of New Mini Tool Room, and the Lean Manufacturing Competitiveness Scheme.
2. **Credit Linked Capital Subsidy Scheme:** CLCSS scheme aims to facilitate technology up gradation of small scale industries, including tiny, agro and rural industrial units, by providing 15 percent upfront capital subsidy institutional finance availed of by them for induction of well-established and improved technology in specified sub -sectors / products approved under the Scheme. This will help CLCSS scheme facilitate technology up gradation of small scale industries, including tiny, agro and rural industrial units. This is accomplished by offering a capital subsidy of 15 percent on any institutional financing that they take advantage of. The entire purchase price of the equipment and machinery is used to calculate the allowable amount of capital subsidy, as specified under the revised scheme. This ensures that the correct amount of capital subsidy is awarded. The highest limit of an eligible loan that can be utilised in the calculation of capital subsidy has also been enhanced under this programme, and it has gone from being able to use up to 40 lakh rupees to being able to use up to 100 lakh rupees. The modification that was applied to the guidelines of the CLCSS in order to make it more current would further promote the modernisation of smaller-scale companies.
3. **Prime Minister's Employment Generation Programme:** (PMEGP) The Government of India has granted its clearance for the beginning of a new credit-linked subsidy scheme, which will be called the Prime Minister's Employment Generation Programme when it officially gets off the ground (PMEGP). The Prime Minister's Rojgar Yojana (PMRY) and the Rural Employment Generation Programme will be combined in order to accomplish this goal. Both of these programmes were active up to March 31, 2008, and they will be merged into a single programme in order to achieve this goal (REGP). The formation of micro firms is the means through which this initiative intends to achieve its objective of increasing the number of job possibilities available in both rural and urban settings. The administration of the PMEGP, which will be an initiative undertaken by the central sector, will be the responsibility of the Ministry for Micro, Small, and Medium Enterprises (MSME) (MoMSME). The Khadi and Village Industries Commission (KVIC), which is a statutory entity and is under the administrative control of the Ministry of Micro, Small, and Medium-Sized Enterprises, would be the sole nodal agency at the national level responsible for implementing the Scheme. This would be the case because the Ministry of Micro, Small, and Medium-Sized Enterprises is in charge of the administrative operations of the KVIC. At the state level, the implementation of the Scheme would be the responsibility of the State Khadi and Village Industries Boards (KVIBs), State Khadi and Village Industries Boards (DICs), and banks. The government subsidy that will be provided through the Scheme will be channelled by KVIC through the banks that have been designated in order to be eventually distributed to the beneficiaries and enterprises in their respective bank accounts.
4. **The Program of the Fund for the Regeneration of Typical Industries(SFURTI):** In 2005-2006, as part of the Scheme of Fund for the Regeneration of Traditional Industries (SFURTI), the Traditional Industries and the craftsmen who work in them were initially organised into clusters. The Traditional Industries were supposed to see an increase in both their productivity and their level of competition as a result of this programme. The revamped and enhanced SFURTI programme will be able to continue throughout the XIIth Five-Year Plan thanks to the support of the Indian government, which has provided

its permission for the program's continuance. During the first phase of development, which would need an investment of 149.44 crores, a total of 71 clusters will be constructed all throughout the country. As part of the 12th Five Year Plan, it has been suggested that 800 clusters be taken on, and it has been suggested that the money for this endeavour come from both the Government of India and the Asian Development Bank. The scheme's financing pattern includes provisions for "soft interventions," which may include skill training, capacity building, design creation, and other activities of a similar kind. The execution of the project for each cluster will take place over the period of three years. Hard interventions include a variety of different elements, including but not limited to Common Facility Centres, Raw Material Banks (RMB), and training centres, amongst other things. Cross-cutting theme interventions include things like the construction and promotion of brands, marketing via news media, e-commerce, innovation and research and development activities, as well as the establishment of links across different clusters. In addition to the Khadi and Village Industries Commission and the Coir Board serving as Nodal Agencies for Khadi and VI clusters and coir-based clusters, respectively, the revamped SFURTI allows for the engagement of reputed national or regional level institutions that have sectoral expertise in the major sub-sectors of the traditional industries in the role of Nodal Agency. This is possible because of the revamped SFURTI's ability to engage institutions at either the national or regional. The inclusion of this additional clause allowed for the implementation of this provision. In addition, the programme includes provisions for the engagement of the services of reputable national or regional level institutions that have demonstrated expertise in the development of artisanal and small business clusters in the role of Technical Agencies to provide handholding and implementation support to the SFURTI clusters. This support will be provided in order to provide handholding and implementation assistance to the SFURTI clusters.

- 5. MSME and Entrepreneurship Sustainable Development :**Entrepreneurship refers to the process of starting one's own business, as opposed to engaging in any other form of economic activity, such as working for someone else or engaging in the practice of a specific profession. Entrepreneurship distinguishes itself from other forms of economic activity, such as working. A person who takes the initiative to begin the process of starting a new company is known as an entrepreneur. The end result of a process is referred to as an enterprise, and this end result is the business unit. It is interesting to note that entrepreneurship, in addition to giving the entrepreneur the chance to work for themselves, is also responsible, to a large extent, for the establishment and extension of opportunities for the other two economic activities, namely employment and profession. This is something that should be taken into consideration. It is impossible to place enough emphasis on the significance of entrepreneurialism to the growth and development of a country's economy as a whole when this process is taking place. Entrepreneurs are absolutely necessary for the continued development of the economy in any country, developed or developing. When compared to the need for entrepreneurs to jumpstart the process of development in a developing nation, the demand for entrepreneurs in a developed country to sustain progress is far higher. In the present scenario in India, in which, on the one hand, employment opportunities in the public sector and large-scale sector are shrinking, and, on the other hand, vast opportunities arising from globalization are waiting to be exploited, entrepreneurship has the potential to really take India to the heights of becoming a super economic power. In other words, entrepreneurship has the potential to make India a super economic power. Therefore, the requirement of business ownership arises from the actions that business owners engage in with respect to the procedure of economic growth and with regard to the operation of a company. This is due to the fact that entrepreneurs are responsible for carrying out activities that are required for the operation of the firm.

The list that follows consists of characteristics that are linked to engaging in entrepreneurial endeavors.

- 1. Systematic Activity:** Being an entrepreneur does not need a magical talent or a lucky charm; nor is it something that just occurs by coincidence! It is a process that is organized, methodical, and step-by-step in nature. It has specific temperamental, skill, and other knowledge and competency requirements that can be acquired, learned, and developed, both through formal educational and vocational training as well as by observing and working in the field. These requirements can be met by acquiring, learning, and



developing the following: It is essential to have such a knowledge of the process of entrepreneurship in order to put an end to the misconception that entrepreneurs are born rather than produced.

2. **Lawful and Purposeful Activity:** The objective of entrepreneurship is to establish real and sustained commercial success. It is essential to keep this in mind because some people may try to justify illegal activities by claiming that they are acts of entrepreneurship on the grounds that illegal firms involve risk, just like legitimate businesses do. It is important to keep this in mind because some people may try to justify illegal activities by claiming that they are acts of entrepreneurship. The purpose of engaging in entrepreneurial endeavours is to generate value, not just for one's individual gain but also for the advantage of society as a whole.
3. **Innovation:** The perspective of the company, innovation may either reduce operating expenses or increase sales and profits. If it can do both of those things, it would be fantastic. Even if it achieves nothing, we should still encourage it because we want innovation to become second nature. In the sense that it includes the production of anything of value, entrepreneurship may be considered creative. Entrepreneurs are responsible for the development of products and services that cater to the requirements and preferences of their respective societies by using a variety of production variables. Each and every entrepreneurial endeavor results in the creation of money and riches. Entrepreneurship is creative in the sense that it involves the innovation and introduction of new products, the discovery of new markets and sources of supply of inputs, technological breakthroughs, as well as the introduction of newer organizational forms for doing things better, cheaper, and faster and, in the context of this discussion, in a manner that causes the least amount of harm to the ecology and environment.
4. **Organization of Production:** Producing anything, which might mean the construction of a shape, a location, a time, or a personal benefit, calls for the coordinated use of a variety of production elements, including land, labour, money, and technology. An entrepreneur is someone who recognizes a potential opportunity in the marketplace and takes the necessary steps to transform available resources into a functional company. It is possible to point out that the entrepreneur may not hold any of these resources; instead, he may just have the "concept" that he promotes among the resource suppliers. This is something that may be considered a possibility. He just has to persuade the financing institutions of an economy that has a well-developed financial system; then, with the money that he has thus organized, he may engage into contracts for the provision of equipment, materials, utilities (such water and electricity), and technology. Information about the availability and placement of resources as well as the most effective manner to combine them is essential to the organization of the production process. This knowledge forms the basis of production organization. To be able to increase these in the best interests of the firm, an entrepreneur has to have strong bargaining abilities.
5. **Risk-taking:** It is a commonly held belief that entrepreneurs engage in high-risk behaviour. Because there is no "guaranteed" payout, persons who choose to pursue a career in entrepreneurship do, in fact, take on a greater level of risk than they would if they pursued a career in employment or the practice of a profession. In the real world, for instance, when a person leaves a job in order to establish his or her own business, that person makes an effort to determine whether or not he or she will be able to generate the same amount of revenue as before. The danger of leaving behind a well-established and lucrative job may seem to an outsider to be "high," but the individual in question is taking a risk that has been well thought out and deliberated through. They are so confident in their talents that they turn a probability of fifty percent into a certainty of one hundred percent success. They steer clear of circumstances with greater risks because, like everyone else, they despise the idea of failing, but they loathe situations with lesser risks since it makes business less of a game. Risk, in and of itself, becomes more of a question of personal stake than a financial stake when it comes to situations in which performance that falls short of expectations creates dissatisfaction and pain.

## OBJECTIVE

The objective of the study is to analyze the problems and challenges of the new start ups in MSME in the Chennai City.

## METHODOLOGY

The study is in descriptive nature carried out in Chennai City. 100 new start ups were selected as samples and their problems are observed using survey method in the study area. Each problem is measured with 5 point Likert scale.

## FINDINGS, RESULTS AND CONCLUSION

Profile of the samples start ups is observed through the interview schedule. They are given below.

**Table 1: Profile of the sample companies**

Profile		Number of samples
Nature of business	Manufacturing	45
	Service	55
Number of employees	Less than 50	48
	50 to 100	27
	More than 100	25
Size of business	Micro	57
	Small	31
	Medium	12
Total		100

The profile of the selected sample new start ups in MSME shows that 55 are in service sector and 45 are manufacturing sector. According to the number of employees working in the organization, it is found that 48 samples have less than 50 employees, 27 samples having 50 to 100 employees and 25 respondents have more than 100 employees. The classification of the sample companies based on their size of the business, 57 business units are micro units, 31 firms are from small size business units and 12 units are medium scale businesses.

## ISSUES AND CHALLENGES

As stated in the theoretical discussion, 7 important challenges have been taken for the study. The selected 100 samples, their challenges are measured through 5 point Likert scale (very high, high, moderate, less and very less). The descriptive statistics has been used to measure the level of challenges they faced. The result is given in Table 2.

**Table 2: Issues and challenges**

Challenges	Mean	Std. Deviation	Mean Rank
Capital formation	4.26	1.203	5.63
Lack of Technology and Quality Management	3.71	0.880	4.86
Credit and recovery	3.31	0.706	4.15
Competition	3.05	1.095	3.79
Employee retention	2.53	1.374	2.85
Lack of planning	2.68	1.136	3.07
Lack of working capital	3.13	1.098	3.67

Among various challenges and issues considered in the study, capital formation has been identified as major problem for the start up units (5.63). It shows that the capital required for the new units need to be arranged with the help of assistance from others. The new business units always struggle to adopt new technology and its technical knowhow. The young team of employees needs proper training and skill improvement (4.86). Hence, the lack of technology and quality management is another important challenge for the new business start ups.

The new business units will try to fit into the existing market which will be having very stiff competition. Hence, the new start ups will be forced to give credits and face problems in recovering them in future. The credit sales and recovery of the debt (4.15) has been mentioned as a big problem. Fourth rank is given to lack of working capital to run the business (3.13). In due course, the need of the working capital management may be difficult in the new start ups. They are entering into an existing market and to face the competition from the day one. Hence, the competition is a major challenge to the new start ups than already established business units.

## CONCLUSION

The Micro, Small, and Medium Enterprises (MSMEs) sector is one of the most important parts of any economy, and India's economy in particular, since it helps to ensure economic growth that is equitable, inclusive, and employment-friendly. In a nation like India, where millions of people are either jobless or underemployed, the micro, small, and medium-sized enterprises (MSMEs) have been playing a pivotal role in the overall economic growth of the country. This industry offers instant work on a big scale, requires less investments, and is the second largest employer of people after agriculture. It tackles numerous problems, including poverty and unemployment, by doing so. This sector holds a prominent role in the Indian economy since it is responsible for more than fifty percent of the country's total industrial production in terms of value accumulation. In this respect, the Prime Minister of India, Dr. Manmohan Singh, made the following statement: "the key to our success in employment rests in the success of manufacturing in the small scale sector." Even though business owners have to overcome a great deal of difficulty and difficulty on their way to become successful business owners, the government has done a great deal of action to promote their growth. The nation's micro, small, and medium-sized businesses are often referred to as "the backbone of our economy." They are responsible for a significant amount of both the output and employment of our industrial sector. In order to ensure further improvements in their contributions to the economy – in terms of job creation, export potential, and a better standard of living for millions of families.

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## **A DESCRIPTIVE STUDY ON PERCEPTION OF ENTREPRENEURS TOWARDS TECHNOLOGY ADOPTION AND SUCCESS IN STARTUP**

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### **ABSTRACT**

The new digital environment has brought about significant change to the corporate landscape and paved the door for the establishment of new startup businesses. In the last ten years, the concept of technology and entrepreneurship has been a hot issue owing to the new innovations that have been introduced by startup firms. These technologies make life easier for customers and provide them more conveniences. The study is made with the following objectives to study the perception of new startup entrepreneurs towards positive impact of the technology adoption and to analyze the perception of startup entrepreneurs towards the negative impact of the technology adoption. The study is to measure the perception of the new startup entrepreneurs on the adoption of the information technology in their business. 100 respondents are selected from Chennai City using convenient sampling method. The study analysis clearly revealed that there is significant relationship between almost all the benefits of the adoption of technology in the startups accept the benefits of distribution and promotion with time saving and increasing efficiency.

**Key words:** Start up, Technology, entrepreneurship, opportunities and challenges

### **INTRODUCTION -Theoretical Background**

As a direct consequence of the implementation of various technologies, consumers are presented with unique opportunities to make purchases. Technology developments cause a change in the overall buying habits of consumers. These same advancements also make it easier for customers to interact with businesses and for company owners to run their companies. Entrepreneurship in the technological realm not only gives people with one-of-a-kind prospects for change, which they are able to educate and grow, but it also provides a huge boost to the commercialization of technical ideas. The development of technology into a vast and important tool that is put to extensive use in order to vigorously expand the market on a global scale has occurred in recent decades. Millennials, who make up a new generation of aspiring business owners, are eager to attain as much success as they possibly can. This study's objective is to examine the degree to which business owners may benefit from the assistance that technology provides in effectively navigating the path to success for their own companies. The rise of small companies is an essential component in Bangladesh's total economic growth, which is a development in a country that is still in the process of being industrialized, such as Bangladesh. The contributions of small enterprises make it possible to meet the needs of both local and international markets, which is a necessity for globalization. This is made possible by the globalization of small company. Through the use of information technology, a small business has the potential to accomplish its goals, get an advantage over its rivals, and keep a footing in the current and modern economic world. A small business may profit from information technology in a number of ways, including the use of a computerized data processing system, data preparation appliances, and the myriad applications that are supplied by information technology. Small organizations that make use of information systems may find that it is easier to manage their operating finances, inventories, and supply chains, all of which contribute to a larger organizational portfolio. The adoption of information technology by small firms has remained at a fairly low level despite the many advantages that it offers.

The corporate world is constantly confronted with new difficulties, and this trend is expected to continue in the future. If small firms really want to have an advantage over their larger competitors, then they have no choice but to include information technology into their operations. In the modern world, companies have a duty to educate not just themselves but also their workforces in order for them to succeed in an economy that is dependent on the accumulation of information. That challenge may be overcome, in large part, by making use of information technology (IT), which is a crucial tool.

### **PERSPECTIVES ON TECHNOLOGY ENTREPRENEURSHIP**

The idea of innovation diffusion may be used to determine the elements necessary for successful adoption of new technologies in the context of technological entrepreneurship. This is a hypothesis that attempts to explain how and why new ideas and technologies spread, as well as at what rate they do so. According to Rogers (2003), diffusion is the process by which an invention is transmitted from one member in a social system to another over the course of a period of time. In addition, the propagation of a novel concept is affected by these four primary factors: the invention in question, the communication channels available, the passage of time, and the societal structure already in place. The different types of people who embrace new technologies are referred to as innovators, early adopters, early majority, late majority, and laggards.

**Information Technology:** A company's use of computer equipment and the internet for the purposes of storing, retrieving, transferring, and modifying data or information is referred to as "information technology" in this context. The information technology sector is one of the key contributors to the growth of the economy and is responsible for bringing about substantial changes in the way people live in both developed and developing countries.

**Entrepreneurs:** An individual who takes the initiative to launch and manage a new business is referred to as an entrepreneur. The bulk of entrepreneurial endeavors start off as very modest businesses. Successful business owners are able to adapt to changing circumstances, drive their companies in the correct direction by careful planning, and are aware of both their own capabilities and limitations. The traditional conception of the entrepreneur is that of a business leader who pioneers novel approaches and concepts.

**IT adoption** Information technology is being used by a large number of smaller companies in order to improve their overall performance, level of production, and level of market competition. The world, on the other hand, is becoming more interconnected as a result of high-speed mobile communications. A rising number of people all over the globe are able to become members of the information society as a result of factors including a growing demand for information services, an expanding infrastructure, and declining prices. The proliferation of small businesses is directly linked to the increased use of information technology. The implementation of information technology is a vital component in the development of micro-enterprises. Small businesses are able to adopt information technology because it provides them with competitive advantages, high productivity, improved advertising and distribution, efficiency, customer happiness, and increased profitability. This has a significant impact on the small business's ability to survive. Information systems are essential to the expansion and development of businesses, despite the fact that limited financial resources might make it difficult for certain smaller companies to implement new technology. Some intervening factors, such as a lack of IT infrastructure or government assistance, inexperienced employees, unawareness, cost maximization, and so on, all have a negative impact on the use of information technology by entrepreneurs. Similarly, some of these factors also have an impact on the use of information technology by consumers.

### **THE INFLUENCE OF PERCEPTION ON TECHNOLOGY**

Ajzen (1991)<sup>1</sup> investigated the possibility that the TPB model incorporates external influences. Exogenous factors are often personal or environmental features, such as personality traits, demography, the economic climate, and the perceived availability of resources. Exogenous factors may also include factors that influence the environment. The author suggested that under the TPB-based entrepreneurial intention model, an individual entrepreneur's perspective on the technical regime may be considered an exogenous component. This was one of the author's proposals. The work done by Nelson and Winter provided the impetus for the idea of a technical

<sup>1</sup>Ajzen, (1991), "The theory of planned behavior". *Organ. Behaviour Human Decision. Process*, Vol.50, pp.179–211.

regime. It is possible to describe it as characteristics of the technological environment "that have a substantial influence on the intensity of innovation, the degree of industrial concentration, and the speed at which individuals enter an industry." (Nelson)<sup>2</sup>. The author explained that a technological regime may be characterized by a collection of fundamental components. The opportunity condition, the appropriability condition, the cumulativeness condition, and the knowledge-base are the fundamental components. A specific configuration of these constituent parts is what defines a technology regime and, by extension, the technological environment.<sup>3</sup> In conditions when there is a high opportunity condition, it may be possible to invest or get involved in innovation, and in these conditions, new knowledge may be applied to a wide range of commodities and markets. "the prospect of insulating invention from imitation and benefitting from innovation" is what the appropriateness criterion is concerned with.<sup>4</sup> In conclusion, the concept of a knowledge base is connected to the characteristics of knowledge. It's possible for knowledge to be either implicit or explicit, broad or specific. Knowledge that is more specific is often linked with the applied sciences, while information that is more general typically belongs in the realm of basic science. The nature of the information base is yet another important aspect of the contemporary technological world. The results of our investigation, on the other hand, did not include a knowledge basis. Our primary focus was on service-oriented businesses, especially those that made use of various forms of technology. It's possible that the scope of the knowledge base in these sectors isn't all that different from one another, especially given that the majority of firms in these fields utilize technology (especially IT).<sup>5</sup>

## REVIEW OF LITERATURE

Venkateswara Rao and Kankipati Ajay Kumar (2017)<sup>6</sup> conducted study on the state of the entrepreneurial technology landscape in India. The findings of the poll indicate that an enthusiastic approach to running a firm is critical to the success of an entrepreneur. However, there were substantial cultural differences between Pune and Bangalore's various regions. At each place, the objective was to increase one's financial standing. The results of the poll indicate that founders believe that technology and commercial competence are both necessary for techno entrepreneurs to have success. The technical ability and knowledge of the entrepreneurs were most prominent in their profiles. Mostafa Khazaeli (2017)<sup>7</sup> analyzed the role of information in agricultural growth and rural women's entrepreneurship. A survey was done to determine the relevance of information technology in agricultural development. This study is an applied research in terms of its purpose, and it is a descriptive research using the correlation cluster in terms of its methodology. The results suggest that there is a substantial (or significant) connection between the function of information technology and the entrepreneurial activities of rural women.

The effort that was referred to aims to work in the direction of the Saudi Vision 2030 and contribute to it. The Saudi Vision 2030 states that it would "Focus on innovation in advanced technologies and

<sup>2</sup>Nelson, winter (1977), "In search of useful theory of innovation". Res. Policy, Vol.6, pp.36-76

<sup>3</sup>Krueger (1993), "The impact of prior entrepreneurial exposure on perceptions of new venture feasibility and desirability. Entrepreneur. Theory Practical, Vol. 18, pp.15-21

<sup>4</sup>Breschi, Malerba, Orsenigo (2000), "Technological regimes and Schumpeterian patterns of innovation. Economics Journal, Vol.110, pp.388-410.

<sup>5</sup>Aderemi, H.O., Ilori, M.O., Siyanbola, W.O., and Adegbite, S.A. (2008). An assessment of the choice and performance of women entrepreneurs in technological and non-technological enterprises in southwestern Nigeria. *African Journal of Business Management*, 2(10), 165.

<sup>6</sup> VenkateswaraRao Kankipati Ajay Kumar (2017) "An Empirical Study on Technology Entrepreneurship Ecosystem in India" International journal for research in applied science and Engineering Technology Vol. 5 (12), pp.2409-2415

<sup>7</sup> MostafaKhazaeli, HivaHanifi, Hamid Khazaeil and Zahra Hanifi (2017) "Survey the Role of Information Technology in Agricultural Development and Rural Women's Entrepreneurship" journal of botanical science Vol.6, (4), pp. 30-36

entrepreneurship.(Aderemi et al., 2008)<sup>8</sup>, technical entrepreneurship is concerned with the use of current scientific and technological knowledge to suit market requirements, hence making the country in question more productive and competitive worldwide. Furthermore, TE is a process that includes industrial innovation, technology transfer, and the commercialization of new ideas. According to Schumpeter (1975)<sup>9</sup>, The process by which successful 'new combinations' are introduced, including new goods, processes, organizations, markets, and input sources, is the focus of technological entrepreneurship. This process results in new economic activity known as 'creative destruction,' which can be thought of as a form of innovation. It also refers to a style of corporate leadership that involves the identification of high-potential, technology-intensive commercial prospects, the accumulation of resources such as people and cash, and the management of rapid development and substantial risk through the application of principled decision-making skills. (Munkongsujarit, 2016).<sup>10</sup>. Facilitating and supporting current and prospective start-ups on many fronts such as financial, technical, and promotional assistance remains the primary strategic economic growth and development emphasis of countries across the world. As a consequence of this, sufficient employment opportunities for locals need to be generated through fostering the entrepreneurial spirit of small and medium-sized enterprises (SMEs), promoting privatization, and investing in emerging industries. This proposed project will begin with the building of a scientific theoretical framework. In the second stage of the project, this framework will be translated into a scientifically practical "Saudi Arabia Start-up Techno entrepreneurial support Model." In addition, the research that was done on the supplementary sources that were listed in the references column lends credence to our contention that there is a pressing requirement for the development and application of a "Saudi Arabia Start-up Techno entrepreneurial Support Model." This model would provide assistance to new businesses that are beginning operations in Saudi Arabia. As a result, this is an essential component of the project, especially with regard to realizing the goals of the Saudi Vision 2030.<sup>11</sup>.

## OBJECTIVES

The study is made with the following objectives

1. To study the perception of new startup entrepreneurs towards positive impact of the technology adoption
2. To analyze the perception of startup entrepreneurs towards the negative impact of the technology adoption.

## RESEARCH METHODOLOGY

The study is to measure the perception of the new startup entrepreneurs on the adoption of the information technology in their business. 100 respondents are selected from Chennai City using convenient sampling method. Their nature is given below.

**Table 1: Demographic variables**

Nature of the respondents		Number of respondents
Gender	Male	62
	Female	38
Age	Less than 30	41
	30 to 45 years	37
	More than 45	22
Educational qualification	Under graduation	63
	Post-graduation	27

<sup>8</sup>Aderemi, H.O., Ilori, M.O., Siyanbola, W.O., and Adegbite, S.A. (2008). An assessment of the choice and performance of women entrepreneurs in technological and non-technological enterprises in southwestern Nigeria. *African Journal of Business Management*, 2(10), 165

<sup>9</sup>Schumpeter, J.A. (1975). *Capitalism, socialism, and democracy*. New York: Harper and Row.

<sup>10</sup>Munkongsujarit, S. (2016). Business incubation model for Startup Company and SME in developing economy: a case of Thailand. *Portland International Conference on Management of Engineering and Technology (PICMET)*(pp. 74-81). IEEE.

<sup>11</sup>Vision 2030. (2016). National Transformational Program. 2016. Retrieved from: [http://vision2030.gov.sa/sites/default/files/NTP\\_En.pdf](http://vision2030.gov.sa/sites/default/files/NTP_En.pdf)

	others	10
Size of organization	Micro	18
	Small	52
	Medium	30
	Total	100

The Table 1 shows that 62 respondents are male and 38 respondents are female. 41 respondents are aged less than 35 years, 37 respondents are aged between 35 years and 50 years and 22 respondents are more than 50 years old. The educational qualification of the respondents showed that 63 respondents are under graduates and 27 respondents are post graduates. 10 respondents belong to other category like diploma and professional courses. 18 respondents who use the IT in their business are taken from micro business units, 52 respondents from the small scale units and 30 respondents from the medium scale units.

### PERCEPTION TOWARDS THE ADOPTION OF INFORMATION TECHNOLOGY

The usage of information technology in business is playing key role for success. Its role is adopted in each and every activity from the labour management, production to accounting and financial management. The new startups will have the chance for adoption of the technology from the formation of the business. They can be benefited through the technology and vice versa. This paper is made an attempt to study the positive and negative perception of the startup entrepreneurs towards the adoption of the IT in their business. the following are the factors considered as positive and negative perceptions.

Perception towards positive and negative impact of IT adoption in operation

Code	Positive	Code	Negative
P1	Customer satisfaction	N1	Costly
P2	Distribution and promotion	N2	Lack of Government support
P3	High productivity	N3	Troublesome in using
P4	Competitive advantage	N4	Lack of awareness and training
P5	Time saving and efficiency	N5	Inadequate IT infrastructure

The adoption of Information Technology has been perceived as positive effect on the business as increase customer satisfaction through better and timely service, role of IT in distribution and promotional activities, increase the productivity, increase the competitive advantages and the time saving and increase the overall management efficiency.

In contrary, the negative side of the adoption of the IT services, cost of installation, inadequate infrastructure facility, lack of government support, lack of awareness and training to operate the computers and the software and troublesome in using the IT in business.

#### i) Positive perception

The positive perception towards adoption of the information technology is analyzed with descriptive statistics. The result is given below.

**Table 2: Positive perception**

Positive perception		Mean	Std. Deviation
Customer satisfaction	P1	3.12	1.057
Distribution and promotion	P2	3.09	1.207
High productivity	P3	3.16	1.237
Competitive advantage	P4	3.10	1.106
Time saving and efficiency	P5	3.24	1.102

The respondents' perception about the application of Information technology is that the technology helps to save the time and improve the efficiency (3.24) of the business where the IT is used. Secondly, it helps to increase the production and quality management (3.16). The adoption of the information technology in the business



increases ultimately the better services which yield more customer satisfaction. Providing competitive advantages (3.10) and the improve the distribution and promotion of the service (3.09) are other benefits found from the usage of the Information Technology. The inter relationship between the benefits of the adoption of the technology is measured with the help of correlation. It is given below.

**Table 3: Correlations**

Positive perceptions		P1	P2	P3	P4	P5
P1	Pearson Correlation	1				
	Sig. (2-tailed)					
P2	Pearson Correlation	0.395**	1			
	Sig. (2-tailed)	0.000				
P3	Pearson Correlation	0.480**	0.586**	1		
	Sig. (2-tailed)	0.000	0.000			
P4	Pearson Correlation	0.240*	0.304**	0.483**	1	
	Sig. (2-tailed)	0.016	0.002	0.000		
P5	Pearson Correlation	0.339**	0.189	0.416**	0.328**	1
	Sig. (2-tailed)	0.001	0.060	0.000	0.001	
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						

The above table shows that there is significant relationship between almost all the benefits of the adoption of technology in the startups except the benefits of distribution and promotion with time saving and increasing efficiency. The relationship of customer satisfaction with distribution and promotion, high productivity and time saving and efficiency are significant at 1% level. Distribution and promotion with high productivity and competitive advantage are significant at 1% level. High productivity with competitive advantage and time saving and efficiency are significant at 1% level. 5% significant relationship is found between customer satisfaction and competitive advantage.

**ii) Negative perception**

There may be some negative impact of adoption of the IT in the business. the perception of the respondents towards the negative impact of the implementation of the technology is studied.

**Table 4: Descriptive Statistics**

Negative perception		Mean	Std. Deviation
Costly	N1	3.20	0.725
Lack of Government support	N2	3.14	1.119
Troublesome in using	N3	3.03	1.306
Lack of awareness and training	N4	3.36	1.142
Inadequate IT infrastructure	N5	3.21	0.988

The Table 4 shows that major problems in adoption of the technology are lack awareness and training (3.36), inadequate IT infrastructure (3.21) and cost of installation of computer and other peripherals (3.20). Lack of government support (3.14) and troublesome in using the IT are ranked fourth and fifth among the problems. The relationship between the variables are studied as below.

**Table 5: Correlations**

Negative perception		N1	N2	N3	N4	N5
N1	Pearson Correlation	1				
	Sig. (2-tailed)					
N2	Pearson Correlation	0.264**	1			
	Sig. (2-tailed)	0.008				
N3	Pearson Correlation	0.324**	0.695**	1		
	Sig. (2-tailed)	0.001	0.000			
N4	Pearson Correlation	0.327**	0.458**	0.629**	1	
	Sig. (2-tailed)	0.001	0.000	0.000		
N5	Pearson Correlation	0.251*	0.211*	0.324**	0.461**	1
	Sig. (2-tailed)	0.012	0.035	0.001	0.000	
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						

All the variables have significant relationship between them. Relationship of inadequate infra-structure with cost and lack of government support at significant at 5% level. Relationships between other factors are found significant at 1% level.

## CONCLUSION

The study analysis clearly revealed that that there is significant relationship between almost all the benefits of the adoption of technology in the startups accept the benefits of distribution and promotion with time saving and increasing efficiency. However, the findings show that the degree of technology acceptance is still not at its peak, since respondents report that technology adoption is a top priority in their start-up businesses. Furthermore, they believe that if proper rules and supports are implemented in the ecosystem, this may be elevated to the level of high. This research also verified the government's critical role in allowing a supportive techno-entrepreneurship ecosystem framework for start-up techno integration. This may be accomplished via the establishment of a National Innovation System (NIS), in which all stakeholders collaborate to contribute to the right use of technology by start-up enterprises.

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## A STUDY ON INVESTMENT BEHAVIOUR OF WORKING WOMEN

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### ABSTRACT

Retail involvement in equities markets in India is awful. There is a concerted effort to get regular investors to return to the stock markets. This atmosphere is reminiscent of 2007, when the stock markets reached all-time highs and there was widespread joy throughout the country. The aim of the study is to analyze the investment behaviour of the working women in Chennai City. The study is a qualitative study analyzing the behaviour of working women towards their investments. It has been conducted in Chennai city where 300 working women are selected using purposive sampling technique. The data were collected from the Google forms. The author concluded that this study will be beneficial to various investment businesses in targeting the appropriate audience in order to sell their investment instruments and select their policies in accordance with the findings of this research.

**Keywords:** Stock Market Participation, Equity, Investment Avenue, Salaried women and financial education.

### INTRODUCTION

The structure and rate of economic growth in India have been significantly influenced by the capital markets in India, which have played a progressive and remarkable role in this regard. The stock exchange is considered to be one of the most important institutions of the capital market since it provides an organized market arena that allows for transparent price discovery. India has a terrible problem with retail participation in the equity markets. A deliberate attempt is being made to get normal people to start investing again in the stock markets. This ambiance brings to mind the year 2007, when the financial markets hit new highs and there was broad jubilation across the nation. In spite of the fact that the Indian stock market has expanded in the years after the liberalization of financial markets, the market's level of volatility has not significantly changed. Since the global financial crisis, the long-term volatility of the stock market has made it harder for regular investors to take part in equities markets. Prospective consumers are nervous about getting their fingers burned, while current investors are afraid to shake up their portfolios because of the excessive volatility. The idea of investing over the course of many decades is now deeply engrained in the minds of everyday investors. Retail investors are often led astray by entrenched interests, who attempt to seduce them into making bad investment decisions. The organization of this work consists of the following sections: The second section of the paper consists of a review of the relevant literature, as well as a description of the problem need and the purpose of the research. The modern investor has access to a wide variety of investment opportunities from which to choose. Some of the available investment possibilities include corporate securities, deposits in banks and non-banking enterprises, post office deposits and certificates, life insurance policies, provident fund schemes, government and semi-government securities, mutual fund schemes, and real assets.

### REVIEW OF LITERATURE

Mishra (2016)<sup>1</sup> examined the investor perspective of mutual funds by looking at the primary characteristics of mutual funds that have an effect on investor perception and by evaluating the differences in investor perspective between large and small investors based on investigated factors. The t test was used in order to investigate the

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<sup>1</sup>Mishra R (2015) Perceptions of Investors towards Mutual Funds: An Analytical Study in Odisha. International Journal on Recent and Innovation Trends in Computing and Communication 3: 4889-4892.

many points of contention regarding mutual funds. When it comes to investing, small investors are more concerned with their tax returns and savings, whereas larger investors are looking forward to potential earnings. As a consequence of this, mutual fund companies operating in the Indian market need to put a significant emphasis on the aforementioned KPIs in order to be successful and extend their operations there. Rastogi (2015)<sup>2</sup> conducted research on the behavioural features of investors in the process of making investment decisions. The standard theory of finance does not sufficiently handle a number of problems, but behavioural finance provides answers for these problems. According to the findings of the study, when gender and occupation were considered together, there was no discernible impact on behavioural biases. Joseph (2015), mutual fund retail investors in Kerala have a strong desire to identify perceptual characteristics and determine if there is a substantial association between demographic and perceptual factors and mutual fund investments. Additionally, mutual fund retail investors in Kerala want to know if there is a substantial association between demographic and perceptual factors and mutual fund investments. It found that the investor's age, as well as the amount of money saved annually, has a direct influence on the investor's choice of investment, and that the majority of small investors have a positive attitude toward investing in mutual funds. This was determined by conducting an evaluation of the performance that investors' perspectives are dependent on the demographic profile. Vaidehi (2016)<sup>3</sup>, a variety of investing strategies as causes and styles by various requirements. It analyses whether or not there should be a greater emphasis placed on the acceptability of behavioural patterns among paper investors. The behavioural pattern would assist investment advisors in predicting how investors would respond to market schedules, which would enable them to construct suitable allocation strategies for their customers. The investment motives achieved long-term gain, which turned out to be an essential component sought by dividend and growth possibilities, as well as the equilibrium of short-term and long-term gain. Among the aspects that were picked, long-term gain was the most prominent. The educational background, occupation, age, income, and quantity of equity investments of investors are all key factors that have a considerable impact on the investing methods of those individuals.

#### STATEMENT OF PROBLEM

The stock markets of India only contribute very little to the personal financial savings of the country's residents. The Indian stock market is afflicted with dangerously high levels of price volatility, and it is also threatened by the threat of excessive price fluctuation and over-speculation. Moreover, the Indian stock market is endangered by the threat of excessive price fluctuation and over-speculation.

#### OBJECTIVE

The aim of the study is to analyze the investment behaviour of the working women in Chennai City.

#### METHODOLOGY

The study is a qualitative study analyzing the behaviour of working women towards their investments. It has been conducted in Chennai city where 300 working women are selected using purposive sampling technique. The data were collected from the Google forms.

#### Findings

##### 1. Socio-Economic characteristics of the respondents

The socio-economic characteristics of working women sample respondents are listed below in the Table 1. Their investment behaviour will change according to their nature. Hence, they have been considered in the study.

**Table 1: Socio-economic characteristics of the respondents**

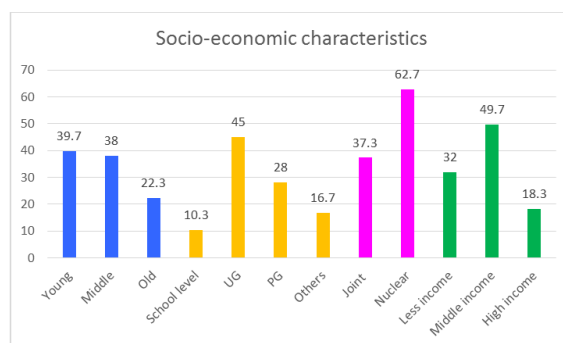
Socio-economic characteristics		N	Percent
Age group	Young	119	39.7

<sup>2</sup>Rastogi S (2015) Differences in Behavioural Biases in Investment Decision Making: Gender and Occupation Perspective. Journal of International Business and Economy 16: 13-35.

<sup>3</sup>VaidehiVijayakumar(2016) A Study on Equity Investment Motives and Styles of Individual Investors. Journal of Exclusive Management Science Vol.5: pp.8-10.

	Middle	114	38.0
	Old	67	22.3
Education	School level	31	10.3
	UG	135	45.0
	PG	84	28.0
	Others	50	16.7
Nature of family	Joint	112	37.3
	Nuclear	188	62.7
Income group	Less income	96	32.0
	Middle income	149	49.7
	High income	55	18.3
Total		300	100.0

Out of 300 sample respondents, 119 (39.7%) respondents belong to the young age group (less than 30 years), 114 (38.0%) from the middle age group (between 30 and 45) and 67 (22.3%) respondents from the old age group (more than 45 years). Educational qualification of the respondents shows that 135 (45.0%) respondents are under graduates, 84 (28.0%) are post graduates, 50 respondents from other categories and 31 (10.3%) respondents have studied up to school level.



112 (37.3%) respondents are from the joint family and 188 (62.7%) respondents belong to the nuclear family. According to the monthly income of the working women, they are grouped as less income (Rs. 30000 and less), middle income (Between Rs. 30000 and Rs. 80000) and high income group (more than Rs. 80000 per month). 149 (49.7%) respondents are from the middle income group, 96 (32.0%) respondents are from the less income group and 55 (18.3%) belong to the high income group.

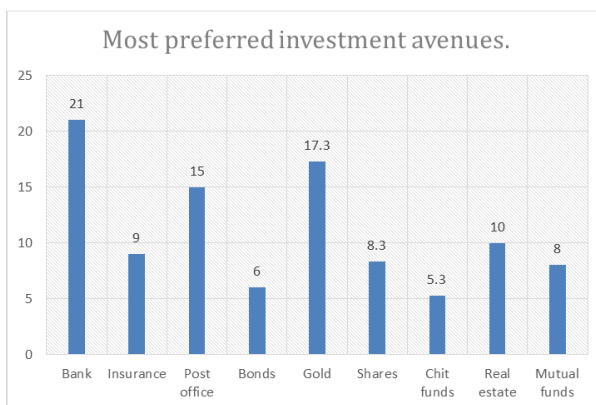
## 2. Preferred investment portfolio

There are more investment avenues for the working people. Especially, the habit of the working women is to invest their earnings for the future. This is an attempt to know the preferred investment avenue of the working women. 9 options including bank, post office, share market, mutual funds, and real estates are given in the questionnaire. The result is given in the following table.

Table 2: Most preferred investment avenues.

Investment avenues	N	Percent
Bank	63	21.0
Insurance	27	9.0
Post office	45	15.0
Bonds	18	6.0
Gold	52	17.3
Shares	25	8.3
Chit funds	16	5.3
Real estate	30	10.0
Mutual funds	24	8.0
Total	300	100.0

Though the respondents can opt for more than one investment avenue, the respondents are asked only one option which is mostly preferred by them. The result shows that 63 (21.0) respondents prefer to invest in the bank. 52 (17.3%) respondents like to invest in gold, 45 (15.0%) respondents' choice is post office. 30 respondents prefer real estate and 24 respondents go with mutual funds. The preference of the working women to prefer an avenue may differ according to the level of income. Hence, the relationship between the level of income and the preference is studied as below.



### 3. Relationship between income level and preference of the investment avenues

To measure the relationship between the level of income and the preference over the investment avenues are studied with the help of correspondence analysis. The result is given below.

**Table 3: Correspondence Table**

Income group	Investment avenues									
	Bank	Insurance	Post office	Bonds	Gold	Shares	Chit funds	Real estate	Mutual funds	Active Margin
Less income	33	0	34	1	12	1	12	0	3	96
Middle income	23	21	10	14	23	17	3	25	13	149
High income	7	6	1	3	17	7	1	5	8	55
Active Margin	63	27	45	18	52	25	16	30	24	300

The above cross table shows that most of the less income group respondents prefer bank (33) and post office (34). Most of the middle income group respondents prefer bank (23), insurance (21), gold (23) and real estate (25). In the old age group, most of the respondents from the high income group like gold (17). The inertia developed in the model is given in the following table.

**Table 4: Summary**

Dimension	Singular Value	Inertia	Chi Square (df-16)	Sig.	Proportion of Inertia		Confidence Singular Value	
					Accounted for	Cumulative	Standard Deviation	Correlation
								2
1	0.613	0.375			0.904	0.904	0.041	0.012
2	0.199	0.040			0.096	1.000	0.064	
Total		0.415	124.551	0.000	1.000	1.000		

The 2 dimensions of the model shows that 1 dimension itself contributes 90.4% of the inertia and second dimension has rest of the 9.6% of inertia. The chi-Square value of the model is 124.551 for the degree of freedom 16 is significant at 1% (0.000). Hence, the row and column points are calculated to measure the relationship between the level of income of the customers and preferred avenue for investment.

**Table 5: Overview Row Points**

Income group	Mass	Score in Dimension		Inertia	Contribution				
		1	2		Of Point to Inertia of Dimension		Of Dimension to Inertia of Point		
					1	2	1	2	Total
Less income	0.320	-1.141	0.017	0.255	0.680	0.000	1.000	0.000	1.000
Middle income	0.497	0.522	-0.337	0.094	0.220	0.283	0.881	0.119	1.000
High income	0.183	0.578	0.883	0.066	0.100	0.717	0.569	0.431	1.000
Active Total	1.000			0.415	1.000	1.000			

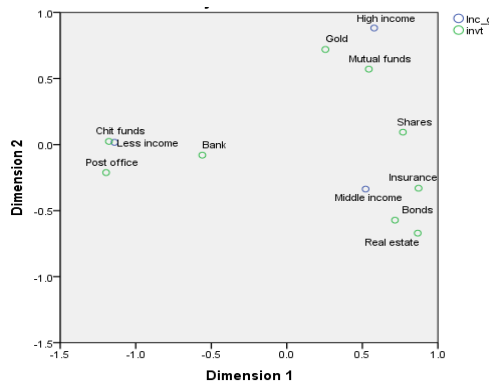
The above table indicates that inertia from the less income group is more (68.00%) in the first dimension other middle income and high income group together contribute 32.0%. in the second dimension, high income group gives more inertia (71.7%) than other groups.

**Table 6: Overview Column Points**

Investment avenues	Mass	Score in Dimension		Inertia	Contribution				
		1	2		Of Point to Inertia of Dimension		Of Dimension to Inertia of Point		
					1	2	1	2	Total
Bank	.210	-0.560	-0.080	0.041	0.107	0.007	0.993	0.007	1.000
Insurance	0.090	0.872	-0.331	0.044	0.112	0.049	0.955	0.045	1.000
Post office	0.150	-1.196	-0.212	0.133	0.350	0.034	0.990	0.010	1.000
Bonds	0.060	0.716	-0.572	0.023	0.050	0.098	0.828	0.172	1.000
Gold	0.173	0.255	0.720	0.025	0.018	0.451	0.279	0.721	1.000
Shares	0.083	0.768	0.094	0.030	0.080	0.004	0.995	0.005	1.000
Chit funds	0.053	-1.178	0.025	0.045	0.121	0.000	1.000	0.000	1.000
Real estate	0.100	0.867	-0.671	0.055	0.123	0.226	0.837	0.163	1.000
Mutual funds	0.080	0.543	0.571	0.020	0.038	0.131	0.735	0.265	1.000
Active Total	1.000			0.415	1.000	1.000			

The Table 6 reveals in column points that post office schemes have more inertia (35.0%) which more than other preferred avenues. In the second dimension, gold contributes 45.1% and real estate shares 22.6% in total inertia. The relationship between the row points (level of income) and column points (investment avenues) is presented in the following graph.

**Diagram: 1**



Relationship between level of income and Investment Avenues preferred

The diagram depicts that less income group respondents mostly prefer Chit funds, bank and post office. The middle income group respondents prefer to invest in investment, bonds and real estate. High income group respondents like gold, mutual funds. Investment in share is preferred by middle income and high income group respondents.

## CONCLUSION

Women prefer to invest in risk free or low risk areas. Lack of knowledge is the key cause for women not investing in avenues with risk aspect. Numerous initiatives should be implemented to generate awareness about the various investing options for working women. High income group respondents like gold, mutual funds. Investment in share is preferred by middle income and high income group respondents. Therefore, this study may be beneficial to various investment businesses in targeting the appropriate audience in order to sell their investment instruments and select their policies in accordance with the findings of this research. Investors who are working women have various objectives in mind when making an investment, and those objectives include a variety of goals related to savings, security, interest, and value appreciation. As a result, they have various expectations from their investments. Second, the government should conduct investing education initiatives, many of which should be geared specifically toward women. There are many things in life that may be made easier to do with some careful financial preparation. Certified Financial Planners are a resource that can be used by women who are interested in having optimal portfolios and making sound selections about their investments. The formulation of short-, medium-, and long-term objectives, as well as the establishment of a timetable for accomplishing those objectives via the creation of a formal written plan, are all essential components of a robust financial strategy.

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## A STUDY ON THE PROBLEMS FACED BY STUDENTS DURING REPAYMENT OF EDUCATIONAL LOAN IN ERODE DISTRICT OF TAMIL NADU

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### ABSTRACT

Students who are interested in continuing their education to a higher level are increasingly turning to educational loans as a means to finance their studies. In this regard, Tamil Nadu is playing a significant role by assisting those students who are in need and providing education loans to them via a number of different banks. This paper's primary objective is to get an understanding the process of loan repayment as well as the challenges that students in the Erode District experience throughout this process. The study is analyzing the problem of the students in repaying their educational loan in Erode district, Tamil Nadu. This is an empirical study made in Erode District during the month of January 2022. A sample of 300 college students who have completed their higher education during the year 2019-2020 and 2020-2021 have been purposively selected for the study. The information were collected through Google forms. Level of each problem is ranked using Kendall's W Coefficient test. The researcher concluded that education is the critical factor that enables individuals to climb the social ladder, pursue better employment opportunities, and finally achieve success in their lives.

**Keywords:** Education loan, problem of students on Educational loan, repayment of loan and Finance for higher education.

### INTRODUCTION

The vast majority of young people who are keen to further their education, whether it be in India or anyplace else across the globe, turn to education loans as their main source of finance. This is true whether they are studying in India or anywhere else around the world. It is feasible to take out student loans in any country in order to fund one's education. Students who have proved either a need for financial help or academic excellence are eligible to receive financial support. Either of these requirements must have been met for the student to be eligible. The objective of the programme is to provide these students with the opportunity to continue their education at a higher level under conditions and conditions that are more feasible from a budgetary standpoint. It is of the highest significance for young people to have access to education that is of a high quality, and the expense of this education should be maintained at a level that is equitable. It is now necessary for the great majority of elite educational institutions to raise their admissions prices, which discourages younger individuals from pursuing higher education.

The student's lodging and board, as well as their tuition, test fees, and other associated costs, are all covered by the loan. The student's parents, spouse, or siblings may be mentioned as co-applicants on the loan application if the student gives them permission to do so. The amount of the loan that is made available to the candidate may vary from one financial institution to another, depending on the quality of the student as well as the reputation of the educational establishment that the student intends to attend in order to get his or her degree. This may be the case both in terms of the quality of the student as well as the reputation of the educational establishment that the student intends to attend in order to get their degree. This may also have an influence on the interest rate of the

loan as well as the process of documenting it, and some financial institutions may authorize the loan even before the applicant has been accepted into the University of their Choice.

### **EDUCATIONAL LOAN IN INDIA**

More than ninety-five percent of the total sum of money that is loaned out by banks for reasons related to education originates from the public sector banks. Students also have the option of acquiring a loan for their educational expenses via non-banking financial institutions such as credit unions, savings and loan societies, and other similar organizations. Within this high-priority area of the economy, an atmosphere that is hazardous to workers' health is maintained. There are significant geographical differences in the loan portfolios that are managed by PSBs, with a larger number of outstanding loans located in southern India, namely in the states of Tamil Nadu and Kerala. The PSBs are responsible for maintaining these loan portfolios. These areas are responsible for a disproportionate share of India's overall loan portfolio. Individuals who want to further their education either in India or in a place other than India may apply for an educational loan in India. Although there has been a general decrease in the number of students who are looking for financial assistance, as of the year 2018, the average amount of school loans has increased by 47 percent. When compared to the figure of 6.8 lakh rupees that was granted for applications in 2017, the average amount that was approved for each application in 2018 was 9.6 lakh rupees, which is an increase over the number that was approved for applications in 2017. The total amount of educational loans that were provided by banks in the financial year 2018 was Rs. 82,600 crore, which is 9.25 percent more than the amount that was released in the financial year 2017. On the other side, there was a decrease of 7% within the same time period, which resulted in a total of 2.5 lakh fewer students seeking for loans. This would suggest that there is a tendency toward a higher cost of obtaining an education in the nation, which would be implied by the fact that the cost has increased.

It is essential for young children and adolescents to have access to a quality education, and the expenditures involved with providing such education should be kept within affordable bounds. As a direct consequence of the majority of famous educational institutions charging rising expenses for admission, young people are being dissuaded from pursuing higher education. This is a problem since higher education is essential to career success. There should be no barriers in place to prevent young people from having access to educational opportunities like these. Despite the fact that one has money invested in mutual funds, fixed deposits, or other unit-linked products at the time of admission fees creating a problem because most of the time the return incurred is less as per inflation and therefore there is entry into picture of Education loan due to the fact that most of the time the return incurred is less as per inflation.

### **CHALLENGES FACED BY STUDENTS DURING REPAYMENT OF EDUCATIONAL LOAN**

No matter where in the world a student receives their formal education - India, the United States, or any other nation — they will face the same primary obstacle. The evaluation of a student's application for a loan is often conducted on the basis of the student's capacity to supply collateral, the presence of a co-applicant, and, in certain instances, the ranking of the college or institution that the student intends to attend in the foreseeable future. Another obstacle that a significant number of students are needed to face is the search for education loans that are appropriate for vocational and up skilling training. This is particularly important to keep in mind for the kid if they have their sights set on attending a top institution once they graduate from high school. When designing new products for loans, it is essential to take into consideration the future earning potential of the student, as this is something that will be useful to both the lender and the borrower. The student's previous educational background, their work experience, the college that they intend to attend, as well as the class that they are currently enrolled in, will all be taken into consideration in order to arrive at a decision regarding this matter. Additionally, the class that the student is currently enrolled in will also be taken into consideration. However, before to making any commitments to borrow money, every prospective borrower has to perform research on a number of loan providers and products, and then compare and contrast the outcomes of their discoveries. Only then should they make any decisions about whether or not to borrow money. The majority of students struggle when they reach this stage because the structure of each loan product is unique, and there is no universal metric that can be used across all loan products to assess the overall cost that a student is responsible for bearing.

Lenders need to look to their western counterparts for ideas in order to figure out how to overcome this obstacle and find a solution to the problem. Students in the western states are more used to hearing about something called an Annual Percentage Rate, or APR for short. This rate is different from the interest rate since it paints a more complete picture of the whole cost of the loan. This not only makes the process more open, but it also makes it simpler to assess the many different options that are at disposal. In addition, this is an important step toward more responsible lending practices. In addition, it is the obligation of the students to at least make an effort to investigate the many opportunities that are available to them. They have access to the assistance of qualified specialists, and markets are prepared to deal with such a challenge as a result of the years of experience that market players have collected.

The whole process of making an application for a student loan, starting with the very first step and continuing all the way through to the very last one, is fraught with a great lot of trouble for the student population. As a consequence of the many document submissions, collateral filings, and processes that have been performed, the decision-making process has been delayed. In addition, as was said in the preceding paragraph, the fact that there is no consistency in either the loan products or the technique has an influence on the decision that is made regarding the application. This is true regardless of whether the application is approved or denied. This is one of the considerations that is given attention to throughout the process. It's conceivable that submitting the same loan application in two separate cities or at two different branches will result in two completely different outcomes. The only way to solve this problem is to standardize both the product and the process in such a way that the ultimate choice can be made in an objective manner that is based on real calculations. This is the only method that has been shown to be effective.

## REVIEW OF RELATED LITERATURE

Education is the process by which a person can be brought into the all-around growth in their acquired abilities by which if they are given the essential steps and measures in order to engage in the day-to-day activities of the in and around the globe. Education is the process by which a person can be brought into the all-around growth in their acquired abilities by which if they are given the essential steps and measures in order to engage in the day. If we provide the people with the materials they need, we may be able to assist them in discovering their own innate sense of right and wrong. Because of this, it will inspire individuals to continue their education throughout their whole lives, increase their self-confidence to take on challenging activities, and extend their awareness of the industries in which they want to work<sup>1</sup>. If more people receive an education, we will be able to eradicate poverty and live a life of peace because education has a positive impact on human development as well as the expansion of the economy. In addition, education transforms a person into a very responsible and upstanding member of society who will be accorded the respect he deserves. If more people receive an education, we will be able to eliminate poverty. Srinivasan and Debabrata Das (2011)<sup>2</sup> made an effort to conduct research on the practices that are followed in selecting the beneficiary student for grant of education loan for the purpose of pursuing higher education in India; problems that are faced by applicants; the history of the problematic borrowers; and the steps that have been taken to overcome the difficulties in obtaining loans. Their findings were published in an article titled "Practices That Are Followed In Selecting The Beneficiary Student For Grant Of Education Loan For The Purpose Of Pursuing Their results were compiled into an essay that was published under the heading "Practices that are followed in choosing the beneficiary student for award of education loan for the purpose of pursuing higher education in India." In the statistical analysis that was carried out for the purpose of writing this research report, the probability model was used. The findings of the research allow one to draw the conclusion that a student who is enrolled in postgraduate professional courses has a greater chance of being approved for an education loan in comparison to a student who is enrolled in an undergraduate course. This is the conclusion that one can draw from the findings of the research. This is due to the fact that postgraduate professional courses demand a greater degree of knowledge from their students than do undergraduate courses.

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<sup>1</sup>Geetha Rani (2009), "Economic Reforms and Financing Higher Education in India", National Institute of educational and administration, New Delhi.

<sup>2</sup>Srinivasan, and Debabrata Das (2011) "Analysis of Education loan: A case study of National Capital Territory of Delhi", International Journal of management and strategy, Vol. No. II, Issue 3pp. 32-35.

## **EDUCATIONAL LOAN FOR HIGHER EDUCATION STUDENTS**

There are 77.8 percent of educational institutions in India that are privately owned. The Indian government does not provide funding for these schools. If a student decides to attend a private institution for their education, they should be prepared for a significant increase in the amount of money they are required to pay toward the cost of their education. There is capacity within India's intricate economic and social system for a broad range of family configurations, each of which has the potential to achieve a different level of status. They are in severe need of financial help from the government in order to ensure that the economy can continue to function normally. The fact that people in India are generally honest and willing to put in a lot of effort each day is one factor that contributes to the country's large population. The only way to shed light on the lives of individuals in the younger generation is via the medium of education, which is the only method available. India is home to a considerable number of educational institutions, many of which are devoted to providing instruction to students in a certain field or fields of study. The vast majority of students, on the other hand, are unable to continue their education beyond the secondary level because their families are struggling financially and are unable to afford to pay for it on their own. If one wants to keep up with the lightning-fast pace of economic progress that India is experiencing, obtaining student loans is very necessary

## **CURRENT STATUS OF EDUCATION LOANS**

Within India's complex economic and social system, there is room for a wide variety of family structures, each with their own unique status. In order to preserve the health of the economy, they are in desperate need of financial support from the government. People in India tend to be truthful and are prepared to put in a lot of work, which contributes to the country's high population. They will not be able to participate successfully in this capacity unless we provide them with the right training and knowledge. Education is the only means through which it is possible to shed light on the lives of those in the younger generation. India is home to a considerable number of educational institutions that are focused on educating students in certain disciplines. The majority of students, however, are unable to continue their education above the secondary level because their families are trying to make ends meet financially and cannot afford to pay for it themselves. Obtaining student loans is essential if one want to stay up with the lightning-fast rate of economic expansion that India is experiencing.

## **NEED FOR EDUCATIONAL LOAN**

Education is the only means through which it is possible to shed light on the lives of those in the younger generation. India is home to a considerable number of educational institutions that are focused on educating students in certain disciplines. The majority of students, however, are unable to continue their education above the secondary level because their families are trying to make ends meet financially and cannot afford to pay for it themselves. It is vital to take out a student loan in order to ensure one's financial stability in light of India's lightning-fast rate of economic expansion. Education loan is a popular method of funding loans to the young aspirants who wishes to pursue higher education in India and as well as in abroad. This scheme provides financial support to a meritorious student or a deserving student in order to proceed with their higher education with affordable terms and conditions.

## **PROBLEM ON REPAYMENT EDUCATIONAL LOAN**

To measure the problem on repayment of the educational loan, the respondents were asked with the help of five point Likerts scale (very high, high, moderate, low and very low) consisting 11 statements relating to the problem

## **OBJECTIVE**

The study is analyzing the problem of the students in repaying their educational loan in Erode district, Tamil Nadu.

## **METHODOLOGY**

This is an empirical study made in Erode District during the month of January 2022. A sample of 300 college students who have completed their higher education during the year 2019-2020 and 2020-2021 have been

purposely selected for the study. The information were collected through Google forms. Level of each problem is ranked using Kendall's W Coefficient test.

## FINDINGS

### 1. Demographic variables of the respondents

The nature of the borrowers, the students, will influence the repaying capacity or intention to repay the educational loan. In this view, the age, size of the family, educational stream studied and the present employment status are observed. The result is given below.

**Table 1: Demographic variables**

Demographic variables		N	Percentage
Gender	Male	178	59.33
	Female	122	40.67
Size of family	Small (upto 4)	176	58.67
	Big (more than 4)	124	41.33
Educational stream	Medical	94	31.33
	Engineering	174	58.00
	Others	32	10.67
Employment status	Employed	221	73.67
	Job seeker	79	26.33
Total		300	100.00

The above table reveals that 178 (59.33%) respondents are male and 122 (40.67%) are female. 176 (58.67%) respondents from small family having upto 4 members and 124 (41.33%) belong to the big family. The educational stream studied shows that 94 (31.33%) respondents have studied Medical courses, 174 (58.0%) respondents are engineering graduates and 32 (10.67%) respondents have studied other courses. The respondents are distributed based on their present employment status as 221 (73.67%) are working and 79 (26.33%) respondents are still job seekers.

### 2. Problems in repayment of educational loan

The problems have been identified from the respondents in repaying their educational loan. Inadequate salary to repay the educational loan, family financial commitments, strict banking norms, lack of government support, very short period to repay the loan, bankers' approach, due to natural disaster, unemployment etc, are some of them. The level of each problem in repaying the educational loan has been measured through the ranking them using Kendall's W test. The result is given below.

**Table 2: Problems in repaying the educational loan**

Problems	Mean	Std. Deviation	Mean Rank	Rank
Low salary	4.25	1.140	9.18	I
Family Financial Commitments	3.72	0.803	7.54	II
Banking norms	3.30	0.803	6.23	VII
Lack of Government support	3.03	1.111	5.59	X
Very short period	3.17	1.213	6.00	IX
Bankers' hard approach	3.24	1.071	6.15	VIII
Due to natural disasters	3.35	1.157	6.46	V
Unemployment	3.57	1.313	7.06	III
Lack of family support	3.48	1.181	6.91	IV
Lack of motivation	3.30	1.138	6.39	VI
Higher interest rate	2.95	1.190	5.22	XI

Among various problems, low or inadequate salary (9.18) has been identified as major problem for repaying the educational loan. Family financial commitment makes them to struggle in repaying the loan (7.54). Thirdly, the unemployment or under employment is another reason for the difficulty to repay the loan (7.06). Lack of family support (6.91), natural disaster (6.46) and lack of motivation to repay the loan (6.39) are ranked fourth, fifth and sixth respectively while repaying the educational loan. Banking norms (6.23), and bankers' hard approach (6.15) are other problems in seventh and eighth ranks. The significance in the rank is tested as below.

## Kendall's Coefficient of Concordance

N	300
Kendall's W	.117
Chi-Square	386.169
df	11
Asymp. Sig.	0.000

The result from the Kendall's coefficient of concordance shows that the calculated Chi-Square value is 386.169 for the degree of freedom 11. This is found significance at 1% level. The p value is 0.000. Hence, it is concluded that the problem of inadequate salary, family financial commitment and unemployment are major problems while repaying the educational loan.

**CONCLUSION AND RECOMMENDATIONS:**

It may be difficult for students who have shown academic brilliance and who are worthy of educational loans to get these sorts of loans since a substantial section of the population does not have proper access to financial services (almost half of all persons do not have bank accounts). People who do not have bank accounts need to have access to educational loans, and this may be accomplished through public-private partnerships and the participation of self-help organizations, if the relevant authorities in the banking industry and other stakeholders can come up with a plan. People who do not have bank accounts need the availability of student loans in order to further their education. It is conceivable for a test to be administered on a nationwide scale, but if this were done, it would only take place in underserved rural and urban regions. This would make it possible to identify exceptionally gifted youngsters, who would then become eligible for financial assistance for their schooling. When it comes to receiving financial assistance for higher education, preference should be given to students who will be the first members of their family to get a bachelor's degree or higher. Because there are not many resources available in India that can be spent on education, the reservations should only be provided to students who would be the first members of their family to attend an educational institution that is at a higher level than secondary school. If a student is the first member of his or her family to pursue their education beyond the high school level, then that student is referred to as a "first generation higher education student." despite the fact that it could seem to be challenging to put into action. It is possible that this might be achieved if there were a system in place that gathered data on residents in a way that was analogous to the Aadhar card plan. There should be just one opportunity for a family to put themselves in the running for a reservation, a scholarship, or a government-subsidized school loan. If they want to be considered for any of these things. The population that lives in places that are lacking in essential facilities and monetary services must also be included in the reserves that are given on the basis of social castes. This is because these populations have a greater need for assistance. It would be feasible for more individuals to pursue higher education and it would also encourage greater fairness within the system if there were more student loans accessible. This would be accomplished by making more student loans available.

It is recommended that the government decrease the budgetary allocation for the premier institutes and instead provide financial assistance to private institutions in the form of scholarships and loan guarantee programmes for exceptionally talented students who come from economically disadvantaged backgrounds. These programmes would be for students who are interested in furthering their education but do not have access to adequate funding. Students who are interested in pursuing their education but do not currently possess the financial means to do so would be eligible for this kind of assistance. Students who attend prestigious educational institutions are eligible for a greater number of private benefits for a longer period of time. Despite the fact that public funds are used to cover the cost of tuition at these institutions, students who attend these institutions are eligible for these benefits. The only thing that the government should do is provide a guarantee to the students of these institutions while simultaneously raising the tuition expenses of these schools.

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## **ROLE OF ICT IN ENTREPRENEURSHIP DEVELOPMENT - WITH SPECIAL REFERENCE TO SMALL SCALE ENTREPRENEURS IN CHENNAI DISTRICT**

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### **ABSTRACT**

Information technology has changed the world to a great extent and the entrepreneurship in particular. It contributes to the entrepreneurship development in different ways. Technology provides multiple channels for businesses to communicate both internally and externally. Whether it's setting up virtual workspaces where employees can interact and develop ideas, or connecting to international businesses through the use of video conferencing, technology can be used as an outlet which allows businesses to collect feedback from their customers, which can be used to improve or alter a product to suit the needs of the customers. Information technology has been of great essence in entrepreneurship development. The study is intended to know the perception of the small entrepreneurs towards the role of ICT. The study has been carried out to measure the perception with reference to Chennai city. The study has been done with a sample of 100 small entrepreneurs who are selected using convenient sampling method. The data were collected in the month of March 2022. The required information is collected using the questionnaire (google form). The perception of the sample respondents towards various benefits of ICT has been observed using the 5 point Likert scale. It is analyzed with the help of Friedman test. The researcher concluded that Internet cafes perform numerous vital tasks in society and serve many other purposes in addition to providing Internet access. These services and purposes go well beyond just providing Internet access.

**Keywords:** ICT development, entrepreneurship, ICT in Entrepreneurship Development, Small Scale Entrepreneurs

### **INTRODUCTION**

An entrepreneur is a person who undertakes a venture with some profit potential and involving a considerable amount of risk and therefore, entrepreneurship is the venture undertaken by the entrepreneur. The most obvious example of entrepreneurship is the starting of a new business. Entrepreneurship can be of varying degrees and is not necessarily alike. It can be categorized into various subcategories, starting with small and home businesses to multidimensional industries that were started from the ground level. This is the first and foremost trait of entrepreneurship. Starting any business involves a considerable amount of risk of failure. Therefore, the courage and capacity to take the said risk are essential for an entrepreneur. Every entrepreneur needs to be a visionary. An entrepreneur has a vision. However, it takes a lot of resources to turn that vision into reality. A good entrepreneur realizes that every situation can be a business opportunity. Thus it can be utilized for the benefit of the organization. Entrepreneurship is both the study of how new businesses are created as well as the actual process of starting a new business – the term is used interchangeably.



## **THEORETICAL BACKGROUND**

Technology can improve the level of innovation in business. Using technological tools like the internet can help the business find relevant information which can be used to expand their business and also create new production lines. Communication is one of the primary drivers of a business. Communication helps in the flow of information within a business. The use of communication technology can simplify the flow of information between a business and its customers, suppliers, employees, and investors. A business can use communication technology tools like electronic mail, mobile phones, and text messaging services, social networks to engage and collect relevant information. Another major impact of information technology in entrepreneurship development is advertising to millions of people around the globe just at a click of a button. Web based advertising consists of websites and social media. Websites can be built using DIY tools such as WordPress or Square Space or professional web developers can be hired to create them. An entrepreneur is someone who has an idea and who works to create a product or service that people will buy, by building an organization to support those sales. In this modern era information technology plays a vital role in entrepreneurship development. Information technology helps to improve customer care service and Get customer data using information technology tools like websites cookies and online surveys. It also allows the customer to pay for their product through online and save time constraints to customers.

## **SIGNIFICANCE OF THE STUDY**

The information technology has become very popular in developing entrepreneurship. Information technology fosters innovation in business. Innovation results in smarter apps, improved data storage, faster processing, and wider information distribution. In this study, Role of ICT in Entrepreneurship Development - with Special Reference to Small Scale Entrepreneurs in Chennai District

## **SCOPE OF THE STUDY**

The scope of the present study is confined to the role of information technology in entrepreneurship development with special reference to small entrepreneurs in Chennai district. Information technology provides an opportunity for business to improve their efficiency and effectiveness, and even to gain competitive advantage.

## **RESEARCH OBJECTIVES**

The study is indented to know the perception of the small entrepreneurs towards the role of ICT. The study has been carried out to measure the perception with reference to Chennai city.

## **RESEARCH METHODOLOGY**

The study has been done with a sample of 100 small entrepreneurs who are selected using convenient sampling method. The data were collected in the month of March 2022. The required information is collected using the questionnaire. The perception of the sample respondents towards various benefits of ICT has been observed using the 5 point Likert scale. It is analyzed with the help of Friedman test.

## **HYPOTHESIS**

The following null hypothesis is framed:

- There is no significant difference in the perception of the entrepreneurs of the small scale industry towards various benefits of the ICT to their business.

## **FINDINGS, RESULTS AND DISCUSSION**

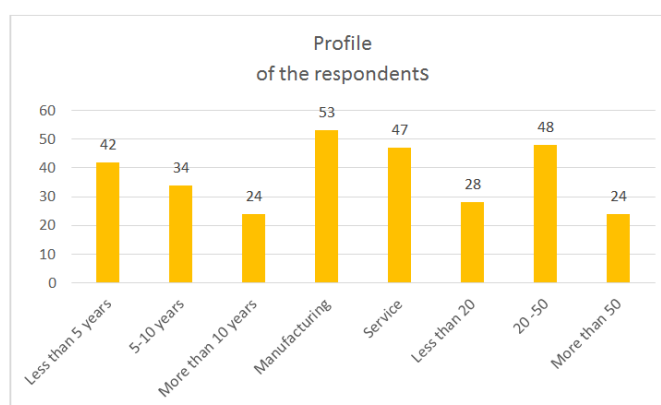
### **1. Profile of the small scale industry**

The small scale industries in the Chennai district have been considered as samples for the study. Their profile is given below.

**Table 1: Profile**

Profile		Number of samples
Years from establishments	Less than 5 years	42
	5-10 years	34
	More than 10 years	24
Nature of business	Manufacturing	53
	Service	47
Number of employees working	Less than 20	28
	20 -50	48
	More than 50	24
Total		100

The profile of the sample units show that 42 concerns have been established just less than 5 years, 34 are aged from 5 years to 10 years and 24 units are more than 10 years old. According to the nature of business, 53 units are manufacturing and 47 units are service industry. Based on the number of employees working, the size of the business units are classified as less than 20 (28 samples), having 20 to 50 employees (48 units) and with more than 50 employees (24 units).



## 2. Perception of the Entrepreneurs towards Adopting Information Technology

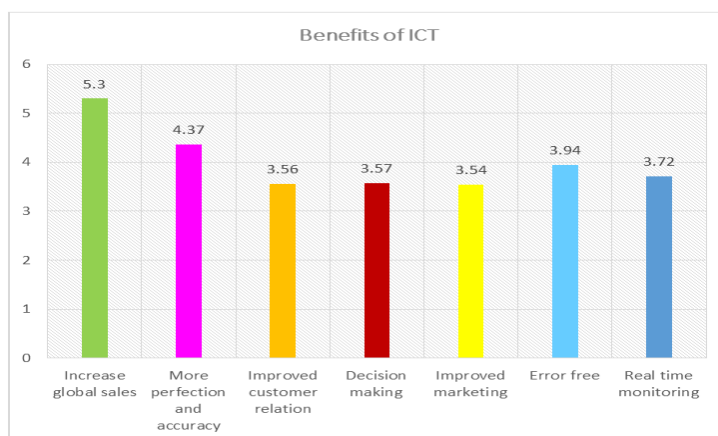
The ICT plays vital role in the modern management and efficiency of the business. Its role is important in every aspects of business activity. From security system to production, accounts and marketing, the ICT contributes lot. It has more features like interlinking global contact, accuracy and perfection in the activities, database management, analysis of data, sales promotional activities, error free and real time monitoring etc. The perception of the respondents towards the role of ICT is observed.

**Table 2: Perception towards role of ICT**

Benefits of ICT	Mean	Std. Deviation	Mean Rank
Increase global sales	4.13	1.152	5.30
More perfection and accuracy	3.65	0.857	4.37
Improved customer relation	3.27	0.790	3.56
Decision making	3.19	1.134	3.57
Improved marketing	3.13	1.308	3.54
Error free	3.39	1.145	3.94
Real time monitoring	3.30	1.030	3.72

According to the opinion of the respondents, the role of ICT is found important for making global contact and improve the sales (5.30). The use of computer and technology gives more perfection and accuracy (4.37) is ranked second. Thirdly, the respondents feel that the ICT makes error free environment (3.94). Other benefits of ICT to real time monitoring (3.72), helping decision making (3.57), improved customer satisfaction (3.56) and

improving marketing (3.54) are ranked fourth, fifth and sixth respectively. The significance of the ranking is tested with the help of Friedman test as below.



**Table 3: Friedman Test**

N	100
Chi-Square	66.257
Df	6
Asymp. Sig.	0.000

The Friedman ranking test shows that the calculated Chi-Square value is 66.257 for the degree of freedom 6. This is more than the table value. Hence, the value of probability is 0.000 indicates that the result is significant at 1% level. It is concluded that the ICT helps to increase global sales, get more perfection and accuracy and error free environment.

**CONCLUSION**

There is a growing corpus of research in the area of development theory that suggests information and communication technologies (ICTs) are vital for improving the standard of life in nations that are still underdeveloped. This viewpoint, which is held by a great number of nations as well as international organizations, serves as the basis for the formulation of public policy. According to the findings of this research, the entrepreneurial process is defined by a strong connection to the community, social groups, and family. Centralization of the government, excessive bureaucracy, and corrupt officials are the three factors that entrepreneurs most often cite as being obstacles. Another widespread challenge is the difficulty of securing financial support. Businesspeople in the information and communications technology sector play a significant part in elevating people's levels of knowledge about ICT. Internet cafés perform numerous vital tasks in society and serve many other purposes in addition to providing Internet access. These services and purposes go well beyond just providing Internet access. Private educational institutions are widespread and very significant due to the fact that they are able to compensate for the failings of the general public schooling system. On the other hand, many educational institutions could have the incorrect priorities, and their operations might be improved.

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## **WOMEN EMPOWERMENT THROUGH SELF-GROUP- A STUDY IN COIMBATORE DISTRICT**

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### **ABSTRACT**

Self-help groups are smaller associations of people who have a similar socioeconomic background and the goal of resolving the issues that they face in common through a combination of self-help and mutual assistance. Self-help groups have been around for a long time, but they have recently gained a lot of attention due to their success in addressing a wide range of issues. Self-help groups have been around for quite some time, but in recent years they have received a great deal of attention owing to the success they have had in resolving a diverse variety of problems. The aim of the study is to analyze the women empowerment to the members of the SHG in Coimbatore city. It is an empirical study has been carried out in Coimbatore city. 400 sample respondents have been selected using survey method. Primary data collected are analyzed using SPSS software. Simple percentage, descriptive statistics, Kruskal Wallis test and Mann-Whitney U tests have been applied in the study. The researcher concluded that idea that women are more likely than men to come from low-income households is a barrier to the growth of women's rights. Concurrently with the expansion of women's rights, economic growth that takes into account people's social, financial, and physical well-being is essential for the success of any economic development effort

**Keywords:** Empowerment, Self-help group, Social and economical

### **INTRODUCTION TO THE STUDY**

Self-Help Groups, sometimes referred to as SHGs for their common abbreviation, are a structure that encourages women's empowerment as well as overall well-being in India. In most cases, a SHG will be referred to by its abbreviation. These organizations are not just innovative but also respected as authorities in their respective industries. Every single woman in India has the opportunity to join a Self-Help Group (SHG), which would enable them to become an entrepreneur with a more diverse set of talents and an overall more competent worker. The government of India encourages the development of self-help groups, which are also known as SHGs. This is done as though the women in the country do not possess the degree of intellect essential to be successful in business. This is not even close to being the case at all. When Self-Help Groups (SHGs) in India set up training offices to complete a particular kind of work that is suitable for women in India, banks will need to set up financial assistance to do assembling and exchanging activities, as well as planning promoting offices. This is because Self-Help Groups (SHGs) in India set up training offices to complete work that is suitable for women in India. In order for Self-Help Groups (SHGs) in India to be successful in completing the task, this will be required. In order for Self-Help Groups (SHGs) in India to be successful in completing the work that is appropriate for women in India, this will be an absolutely necessary component.

On the other hand, legislatures will be in charge of receiving the results of SHGs, organizing the extension of the potential of women in terms of the quality of their initiatives, and building up the administration of SHGs independently from anybody else in order to have authoritative linkages. In order to have authoritative connections, each and every one of these things will be carried out. As a consequence of recent social shifts and

the aid provided by the government, SHGs have developed into an increasingly significant part of the overall population. This is due to the fact that the operating costs of SHGs are lower than those of other forms of housing. The construction of a basic organization, in addition to a pool of resources and technical talents, has resulted in the generation of income and job opportunities. This is due to the fact that the fundamental organization was established. The four pillars that support empowerment include increasing one's capacity via the acquisition of knowledge, information, and skills, as well as taking action to initiate engagement and bring about change. Increasing one's capacity may be accomplished by the use of the following phrases: To take the first step toward getting more control over one's life, an individual must first enhance their understanding of the social realities and legal rights that are now at their disposal.

Self-Help Groups have a significant role to play, not only within the context of the family but also within the context of society as a whole, in ensuring that women are able to take charge of their own lives and continue to enjoy excellent health. This is important not only within the context of the family but also within the context of society as a whole. In this article, we discuss the constitution, the scope, and the credibility of self-help groups, as well as the initiatives taken by the government towards the promotion of self-help groups and the initiatives taken by rural communities to empower women. In addition, we discuss the initiatives taken by the government towards the promotion of self-help groups. In addition to this, we look through the steps that have been done by the government to support the growth of self-help organizations.

### **EMPOWERMENT OF WOMEN**

Women make up one third of the world's labour force, and while they are working in the fields, they are responsible for the generation of half of the world's food supply. This means that women are responsible for producing half of the world's food supply. This makes a substantial contribution to the economy of the whole world. In order to boost one's power, a process that involves the incorporation of a variety of diverse components is necessary. These components include increasing one's awareness of their surroundings and improving one's access to resources on all fronts (financial, social, and political). It comprises a similarly substantial component of preparations and an association of women into gathers, in light of the fact that these gatherings provide the cause for unity, quality, and collective effort. Moreover, it is important that women be grouped together in gathers. In addition, it is essential to keep in mind that the meetings serve to bring women together. Women are the principal agents in the battle against poverty and are the primary contributors to the economy because of the work they do in the home, in their social networks, and in the workplace. Women also contribute the most to the economy. This is as a result of the labour that is performed by women. As a result, the liberation of women is an essential step toward finding a solution to the issue of poverty as a problem that exists within society.

Self-Help Groups, often known as SHGs, are, for the most part, unstructured groups that adhere to some predetermined boundaries in order to satisfy a widely shared feeling of need and work toward the achievement of common goals. Even though the work is not always compensated, the members of the group are not volunteers, and the organization was not founded with the intention of providing aid to those who are in need, the members of the group work together in an effort to improve their individual circumstances through the support of one another. Even though the work is not always compensated, the members of the group are not volunteers, and the organization was not founded with the intention of providing aid to those who are in need. A deposit in a thrift is the culmination of the collective efforts of the thrift's members to save money. A significant number of these organizations work together in order to carry out operations that are associated with manufacturing, to encourage their members to accumulate savings, and to make use of the collective resources in order to fulfil a variety of credit requirements.

### **GOVERNMENTAL INITIATIVES**

Government support accelerated SHG movement. World Bank (2001) Collaborative efforts by government, NGOs and SHGs to promote micro enterprises in the long run generates argued that huge employment opportunity to rural women to reduce poverty in the rural areas. Chelladurai (2004)<sup>1</sup>It is necessary to formulate

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<sup>1</sup> Chelladurai (March 2004) Social Welfare Vol 55, No 12, "Women Empowerment and Economic Development"

specific policies in order to achieve occupational diversity via the promotion of rural industries and support services. The expansion of impoverished people's access to financial services was significantly aided by the extraordinary success achieved by rural banks. The schemes aim to build institutional capacity, promote women's self-help groups (SHGs), strengthen the capacity of agencies at the central and state levels, generate income, invest funds, provide technical support, provide access to social programmes, and use funds for community assets like drinking water, sanitation, day care centers, and health and child care services. Carr, Marilyn et al. (1990)<sup>2</sup> suggested that rural and tribal women in Maharashtra with 239 households found that mothers of families associated with SHGs had greater knowledge of child health care and family planning than non-participants in the villages.

The following is a list of some of the most significant actions that the government has taken towards the SHG movement.

**1. Development of Women and Children in Rural Areas (DWCRA):** People are organized by the Department of Rural Development into groups that are limited to a certain number of members each. The strategy focuses on organizing women into groups in order to create a collective approach to the challenges facing women and to develop the women's ability for bargaining. The goal of the strategy is to strengthen the capacity of women to negotiate. A one-time prize in the sum of 25,000 rupees is made available to the winner. It may be put to use by all of the members of the organization in conjunction with any enterprise that has the potential to be profitable. Members are expected to practice frugality as a condition of membership, and they are actively encouraged to make financial contributions to a shared savings account. Instruction on topics such as leadership, the modification of negative attitudes, and the development of abilities that may be utilised to produce revenue will be provided to programme participants as part of the curriculum.

**2. Swarnajayathi Gram Swarozgar Yojana (SGSY)** It is an improved version of the IRDP that focuses an increased emphasis on working in collaboration with other individuals. The money that has been set aside for the plan, which amounts to a total of 10,000 rupees for each group and is dispersed over the course of a period of three to four years, is intended to pay the costs that are involved with the establishment and expansion of groups. Once every six months, each group is given a grade to determine where they now stand in terms of performance, and then remedial capacity development is carried out. This procedure is carried every once every half a year. The existing level of economic activity is being assisted along by subsidies in the form of bank loans in order to keep it at its current level.

**3. Anganwadi Groups:** At the habitation level, this organization has been established by the Department of Women Welfare in order to undertake literacy, health, and nutrition programmes specifically geared for rural women. A microfinance facility is made available to the members so that they may engage in activities that will generate money.

**4. The Council for Advancement of Peoples Action and Rural Technology (CAPART):** It was formed by the Ministry of Rural Development of the Government of India with the intention of giving financial support to community-based organizations and volunteer groups that are working in rural areas of the country. It plays a significant part in guiding the expansion and innovation of non-governmental organizations (NGOs) and in igniting development initiatives with the intention of assisting those who are economically disadvantaged.

**5. Swa-Shakti Project (Assisted By IFAD & World Bank):** A programme with a central initiative that operates in the states of Bihar, Gujarat, Haryana, Madhya Pradesh, and Uttar Pradesh with the goal of bettering the lives of rural women and giving them more agency so that they may take greater control over their own destinies. Within the Department of Women and Child Development, the Government of India's Department of Women and Child Development has established a total of 24 support units in order to make the implementation of this plan easier.

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<sup>2</sup> Carr, Marilyn Chen and Renana Jhabvala (1990) Speaking out womens empowerment in south Asia, vistaar publications, New Delhi.

**6. Kudumbashree Project:** A programme with a central initiative that operates in the states of Bihar, Gujarat, Haryana, Madhya Pradesh, and Uttar Pradesh with the goal of bettering the lives of rural women and giving them more agency so that they may take greater control over their own destinies. Within the Department of Women and Child Development, the Government of India's Department of Women and Child Development has established a total of 24 support units in order to make the implementation of this plan easier.

**7. Bank as a Self Help Promotion Institution:** The government took over commercial banks, there has been a commitment at the highest levels of government to work toward increasing poor people's access to financial services. This commitment has been ongoing since the government's takeover of the commercial banks. Since the government assumed control of the commercial banks, this pledge has been in effect. a range of different policy activities, including the development of small rural offices and the provision of microloans with subsidized interest rates ranging from 4% to 10% of the total loan amount.

### STATEMENT OF THE PROBLEM

The SHG, which plays an important function, is responsible for bringing them to the knowledge that the significance of their own empowerment is brought to light by the SHG. This is because the SHG is responsible for bringing them to the knowledge that the importance of the SHG. Women who take part in self-help groups (also known as SHGs) are more likely to develop the self-confidence necessary to fully realize their potentials and skills, which in turn enables them to more successfully cope with the obstacles they are confronted with. As a direct consequence of the work that was done by the SHG, there has been a significant paradigm change in the manner in which the dynamics that create women's status are constructed. In addition, as a direct result of it, women now have the potential to achieve the degree of social development that demands the freedom to financially support themselves in order to do so. This option was not previously available to women. At the current time, the government of India offers numerous opportunities for SHGs, particularly female SHGs, by supplying microcredit facilities to pave the way for modest investment initiatives. This is particularly beneficial for female SHGs.

### OBJECTIVE OF THE STUDY

The aim of the study is to analyze the women empowerment to the members of the SHG in Coimbatore city.

### RESEARCH METHODOLOGY

It is an empirical study has been carried out in Coimbatore city. 400 sample respondents have been selected using survey method. Primary data collected are analyzed using SPSS software. Simple percentage, descriptive statistics, Kruskal Wallis test and Mann-Whitney U tests have been applied in the study.

### FINDINGS, RESULTS AND DISCUSSION

#### 1. Profile of the respondents

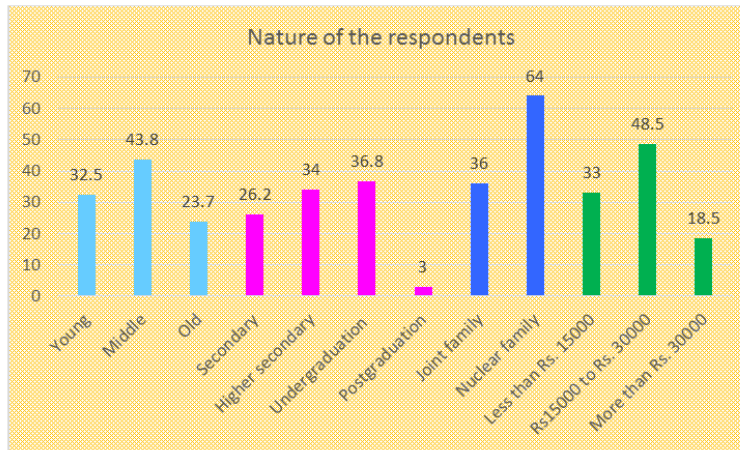
The profile of the respondents is studied as there are personal factors which are also supporting for their empowerment. In this view, their personal information is collected. They are given below in Table 1.

**Table 1: Nature of the respondents**

	Nature	Frequency	Percent
Age group	Young	130	32.5
	Middle	175	43.8
	Old	95	23.7
Education	Secondary	105	26.2
	Higher secondary	136	34.0
	Undergraduation	147	36.8
	Postgraduation	12	3.0
Nature of family	Joint family	144	36.0
	Nuclear family	256	64.0
Level of income	Less than Rs. 15000	132	33.0
	Rs15000 to Rs. 30000	194	48.5
	More than Rs. 30000	74	18.5
	Total	400	100.0



The 130 (32.5%) respondents from the young age group (less than 30 years), 175 (43.8%) belong to the middle age group (between 30 and 45 years old) and 95 (23.8%) are old aged respondents. 105 (26.%) respondents have studied upto secondary level, 136 (34.0%) respondents studied higher secondary, 147 (36.8%) respondents are under graduates and 12 (3.0%) respondents are post graduates. According to the nature of family, 144 (36.0%) respondents are from the joint family and 256 (64%) respondents belong to the nuclear family. 132 (33.0%) respondents are from less income group (monthly income less than Rs. 15000), 194 (48.5%) respondents belong to the middle income group (between Rs. 15000 and Rs. 30000 pm) and 74 (18.5%) respondents are from the high income group.



## 2. Women empowerment through SHG

The women empowerment can be measured in social and economic situations. The Self Help Group enables the women members to get empowered economically and socially. Their empowerment is measured in 5 aspects, i.e. the income helps their children career, improve the standard of living, improve the social status, provide self-employment and improve the economic condition. Their opinions about the empowerment is analyzed as below

**Table 2: Women empowerment through SHG**

Empowerment of women	Mean	Std. Deviation
Helps children career	2.69	1.272
Improve standard of living	3.08	1.130
Improve social status	3.29	1.079
Self-employment	3.58	1.096
Improve economical status	3.55	1.215

The descriptive statistics shows that the mean of the self-employment (3.58) is higher than other aspects. It shows that the membership in the SHG makes them happy in providing self-employment. The income from the SHG also improves their economical status (3.55). The income from the SHG, self-employment and improvement in economical status support to improve their social status (3.29). Improvement in standard of living (3.08) and helps their children career (2.69) are ranked fourth and fifth. The opinion of the respondents towards the different empowerments is analysed with their nature i.e., age and nature of family.

### RELATIONSHIP BETWEEN AGE, NATURE OF FAMILY AND EMPOWERMENT OF WOMEN

The age which denotes the experience and maturity and the nature of the family supporting the women for participating in the entrepreneurship are considered as major factors to influence their opinion on empowerment. Influence of these two variables on the opinion of the respondents is studied as below.

**Table 3: Relationship between age and the level of empowerment**

Women empowerment	Age group	N	Mean Rank	Test	Result
Helps children career	Young	130	202.35	Chi-Square	1.161
	Middle	175	194.29	df	2
	Old	95	209.40	Sig.	0.560
Improve standard of living	Young	130	206.98	Chi-Square	14.721
	Middle	175	178.55	df	2
	Old	95	232.07	Sig.	0.001**
Improve social status	Young	130	192.39	Chi-Square	8.057
	Middle	175	191.30	df	2
	Old	95	228.55	Sig.	0.018*
Self employment	Young	130	190.16	Chi-Square	4.401
	Middle	175	197.19	df	2
	Old	95	220.74	Sig.	0.111
Improve economical status	Young	130	188.67	Chi-Square	2.860
	Middle	175	201.91	df	2
	Old	95	214.09	Sig.	0.239
	Total	400			

\* Significant at 5% level; \*\* Significant at 1% level

The old age respondents feel that the membership in their SHG give them empowerment more than other age group respondents in all aspects considered in the study. The mean ranks for helps in children career (209.40), improve standard of living (232.07), improve social status (228.55), provide self-employment (220.74) and improve economical status (214.09).

The Kruskal Wallis test proves that the opinion of the old age group respondents towards the empowerment in improve standard of living and social status is significantly higher than other age groups. The calculated value of Chi-Square for the degree of freedom 2 is higher than the expected value. Hence, the probability values are less than 0.05. It is concluded that the women aged more than 45 and participating in the SHG feel empowered in improving standard of living and social status.

**Table 4: Relationship between the nature of family and level of empowerment**

Women empowerment	Nature of family	N	Mean Rank	Test	Result
Helps children career	Joint family	144	258.22	Mann-Whitney U	10120
	Nuclear family	256	168.03	Z	-7.689
	Total	400		Sig.	0.000**
Improve standard of living	Joint family	144	229.86	Mann-Whitney U	14204
	Nuclear family	256	183.99	Z	-3.934
	Total	400		Sig.	0.000**
Improve social status	Joint family	144	215.92	Mann-Whitney U	16212
	Nuclear family	256	191.83	Z	-2.095
	Total	400		Sig.	0.036*
Self employment	Joint family	144	228.53	Mann-Whitney U	14395
	Nuclear family	256	184.73	Z	-3.771
	Total	400		Sig.	0.000**
Improve economical status	Joint family	144	215.65	Mann-Whitney U	16250
	Nuclear family	256	191.98	Z	-2.022
	Total	400		Sig.	0.043*

\* Significant at 5% level; \*\* Significant at 1% level

The Table 4 shows that the respondents belong to the joint family opined that the SHG empowers them in helping their children career (258.22), improve standard of living (229.86), improve social status (215.92), self-employment (228.53) and the economical status (215.65). Their mean ranks are higher than the respondents from the nuclear family. All these differences are significantly higher as per the result of the Mann-Whitney U test. The Z values are less than -1.96. Hence, it is concluded from the findings that the women from the joint family feel empowered in all aspects more than the women belong to the nuclear family.

## CONCLUSION

The emancipation of women is an essential component in each nation's growth and development at any stage in its history. It is imperative that women be recognized on an equal basis with men as co-conspirators in the fight for change. It is necessary that this recognition take place. The emancipation of women is essential not only for the progress of the country as a whole in terms of its social and economic growth, but also for the enhancement of the quality of individual lives. This is because women are disproportionately represented in lower-paying jobs and in lower-status occupations. The idea that women are more likely than men to come from low-income households is a barrier to the growth of women's rights. Concurrently with the expansion of women's rights, economic growth that takes into account people's social, financial, and physical well-being is essential for the success of any economic development effort. At this point in time, the tremendous rise of small and home-based businesses has resulted in a complete makeover of the nation. In addition, members have gained a greater feeling of financial independence while concurrently experiencing an increase in their sense of personal safety as a result of their participation in the SHG. If women band together in self-help groups (SHGs), they have a better chance of achieving economic independence than they would have otherwise. SHGs have been singled out as a potential resource for addressing the women's monetary demands. This has been done with the intention of preserving the women's privacy, and it has been done so by design. An economic activity that is carried out by a SHG not only in rural regions, but also in metropolitan areas, lays the way for the empowerment of women by elevating their socioeconomic standing.

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## **EFFICACY OF TOURISM ENTREPRENEURS DIGITAL MARKETING TECHNIQUES: AN EMPIRICAL ANALYSIS**

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### **ABSTRACT**

In this day and age of digital technology, marketers are faced with both new challenges and new possibilities. The practice of promoting goods or services in the marketplace via the use of digital media, often known as e-marketing, is called "digital marketing." The primary objective of digital marketing is to draw in consumers and provide them the opportunity to engage with a company via the use of digital media. The focus of this article is on the significance of digital marketing not just for businesses but also for their target audiences, consumers. The study is made with an intention to measure the impact of the digital marketing on the digital marketing technique on the efficiency of tourism entrepreneurs. The study has been carried out in Tamil Nadu and 100 tourism entrepreneurs are selected as samples for the study. The study concluded that the digital marketing plays important role in the tourism marketing. The online advertisement, affiliate marketing and social media marketing are found most successful and efficient.

**Keywords:** Tourism Entrepreneurs, Digital Marketing Techniques and elements of Digital Marketing.

### **INTRODUCTION**

Tourism in India is both a substantial contributor to the country's overall economic development and a significant source of earnings in terms of foreign money. The travel and tourism industry is beneficial to all developing countries, including India, which is one of them. It offers a lot of untapped potential for the development of jobs on a broad scale and is an essential factor in achieving growth that is more equal. The number of foreign tourists who visited India in 2018-19 climbed by 10.7 percent, reaching 88.9 lakh, compared to the 80.3 lakh FTAs that were recorded in the previous year. In the fiscal year 2018-19, the tourism industry was responsible for bringing in a total of Rs. 1,556,500 crores in foreign currency earnings (FEEs). In coordination with the Ministries of Home Affairs and External Affairs, the Ministry of Tourism takes measures to boost the number of international visitors to the country as well as the amount of money brought in by their visits. The similarities and differences between conventional marketing and online marketing are compared and contrasted in this investigation. The purpose of this study was to investigate various forms of digital marketing, the degree to which they are successful, and the influence that using them has on a business's revenue. In order to illustrate the efficacy of digital marketing, the sample for this research consists of 150 organizations and 50 executives who were selected at random from the pool of available options. A wide range of statistical methods and tools were used in order to conduct an analysis on the data that was gathered.

### **DIGITAL MARKETING TECHNIQUES ADOPTED BY ENTREPRENEURS IN RECENT ERA**

The travel and tourist sector was one of the first types of companies to use digital marketing strategies with the goal of elevating the standard of tourism-related goods and services. Entrepreneurs in the tourism and travel sector recognize the need of developing a marketing strategy that is both effective and distinctive in order to connect with prospective consumers and sell their goods and services. It requires two basic duties, namely the creation of a promotional strategy and the design of advertising that are intended to attract the attention of customers. The majority of business owners in the tourist industry today expect higher value-added services. The Ministry of Tourism (MOT) reports that 95 percent of clients want to see all of the information before

making an online reservation. As a consequence of this, the internet is now considered to be one of the most trustworthy sources of information. Internet and social media platforms make it possible to communicate with billions of travellers, both domestic and international. A survey that was carried out by the Federation of Hotel and Restaurants Association of India (FHRAI) found that around 4 billion individuals make use of various online booking and payment systems, in addition to the Internet and social media. The use of digital marketing strategies to the expansion of the tourist industry yields a sizeable amount of positive outcomes as a consequence.

### **THE TRAVEL AND TOURISM INDUSTRY**

The experience of travelling in the days gone by was quite different from what it is like to travel now. Do you have any memories of your parents preparing for a family vacation when you were a small child, but rather than showing excitement about the trip, you observed them become more stressed out and fatigued as the trip approached? The digital world has really flipped everything on its head and made everything so much easier, to the point where problems can be solved with just a few clicks of the mouse.

The progression of the digital era has led to an increase in the significance of digital marketing for businesses, and the travel sector has not wasted the chance that this has presented them with. It is now possible for travel companies to engage in a variety of activities to increase their visibility, reach a large number of people all over the world and inform them of exclusive offers, and publish advertisements that will make everyone who sees them want to get out and start planning a vacation immediately. This is all made possible thanks to the internet. In point of fact, the influence of digital marketing is global, which enables the tourist sector to convince people from all over the globe to visit the many places that are on offer.

The travel and tourism industry was obviously one of the first to be impacted by the trend toward digitization that occurred all across the globe. The purpose of the competition was to see who could devise the most effective plan and then put that strategy into action in order to provide all of their clients an enjoyable journey and an experience that they would never forget. The higher the quality of their work, the greater the number of committed consumers they will be able to bring in, and the more money they will be able to generate. In spite of this, digital marketing involves not only the process of ensuring that travellers have the greatest pre-trip experience possible but also the promotion of destinations and while they are in flight. Digital Marketing may serve as a guide for travellers, assisting them in making the most of their time away from home.

### **EFFECTIVENESS OF DIGITAL MARKETING IN THE CHALLENGING ERA**

The promotion of goods or services as well as making contact with clients via the use of digital communication channels are two primary goals of the digital marketing strategy. In addition to marketing done through the internet, digital marketing also makes use of channels that do not need the use of the internet. It encompasses a wide range of digital media, including mobile phones (including SMS and MMS), marketing via social media platforms, display advertising, search engine marketing, and a number of other digital media. Information may be obtained by customers via digital media at any time and from any place they choose. Because digital media is there, consumers may now depend not just on what the company says about its brand, but also on what the media, friends, associations, peers, and others are saying about it. Previously, consumers could only rely on what the company said about their brand. The term "digital marketing" refers to a wide range of different promotional methods that make use of digital technology in order to get in touch with customers. Digital marketing comprises a broad variety of service, product, and brand marketing approaches that largely exploit the Internet as a primary promotional channel. Mobile marketing, classic television and radio, and traditional digital marketing are all included in digital marketing.<sup>1</sup>

Marketers are bringing brands closer to their customers' daily lives. Customers' shifting role as value co-producers is becoming increasingly significant. (Prahalad and Ramaswamy, 2004)<sup>2</sup>. Khan and Mahapatra

<sup>1</sup> Fournier, Susan. (1998). Consumers and Their Brands: Developing Relationship Theory in Consumer Research. *Journal of Consumer Research* 24 (4): 343-73.

<sup>2</sup> Prahalad, C.K. and Ramaswamy V. (2005). *The Future of Competition: Co-Creating Unique Value with Customers*. Boston, Massachusetts: Harvard Business School Press

(2009)<sup>3</sup>commented that technology plays a critical role in boosting the quality of business units' offerings. Hoge (1993)<sup>4</sup>, Electronic marketing refers to the process whereby a seller of goods or services sells those goods or provides those services to a customer by using one or more electronic methods or media (EM). The first attempts at electronic marketing were made using telegraphs in the nineteenth century. Since the introduction and subsequent widespread use of the telephone, radio, television, and subsequently cable television, electronic media has emerged as the preeminent driving force in the field of marketing. The internet is used by McDonald's in order to strengthen brand messaging and establish connections with consumers. They have established online communities for children, such as the Happy Meal website, which provides consumers with opportunities to stay connected via the use of activities that are both instructive and entertaining. (Rowley 2004)<sup>5</sup>. Reinartz and Kumar (2003)<sup>6</sup>discovered that the number of mailing efforts that the firm does has a direct and positive bearing on the amount of money that the company makes over time. The biggest advantages of marketing using social media are the cost reductions and the improved reach. The costs associated with using conventional marketing channels, such as face-to-face sales or sales that go via intermediaries or distributors, are often higher than the costs associated with using social media platforms. In addition, conventional distribution channels' temporal and geographical limitations make it impossible for companies to communicate with some customers who may potentially become customers via the use of social media marketing. The primary advantage of social media for companies is that it helps them broaden their customer base while simultaneously reducing marketing expenses.(Watson et al. 2002)<sup>7</sup>.

Chaffey (2011)<sup>8</sup> revealed that social media marketing comprises is "encouraging consumer conversations on the company's own website or via the company's social presence," as stated in the previous sentence. One of the most important aspects of digital marketing is the fact that businesses may use social media to communicate with their target demographic without incurring the costs often associated with conventional marketing channels such as publishers and distributors. "marketing online, whether through websites, online ads, opt-in emails, interactive kiosks, interactive television, or mobile phones" is referred to as "digital marketing," "electronic marketing," "e-marketing," and "Internet marketing," respectively. All of these terms are synonymous with one another. Giese and Gote (2000)<sup>9</sup>found that customer information satisfaction (CIS) for digital marketing can be conceived of as a collection of affective responses of varying intensities that are triggered by sales activities, information systems (websites), digital products/services, customer support, after-sales service, and corporate culture.

## VARIOUS ELEMENTS OF DIGITAL MARKETING

There are various elements by which digital marketing is formed. All forms operate through electronic devices. The most important elements of digital marketing are given below:

- (i) **Online Advertising** done online is a significant component of the digital marketing strategy. It is sometimes referred to as online advertising, and it is a method through which a firm may communicate information about its goods or services. Internet-based advertising offers consumers with material and advertisements that are the most relevant to their areas of interest. Information that customers or users may

<sup>3</sup> Khan and S. S. Mahapatra,(2009). Service quality evaluation in internet banking: an empirical study in India. *Int. J. Indian Culture and Business Management*, vol. 2, no. 1, (2009), pp. 30-46

<sup>4</sup> Hoge, S, Cecil C. (1993). *The Electronic Marketing Manual* ABA Journal, 22, 175-185.

<sup>5</sup> Rowley, Jennifer. (2004). online branding: the case of McDonald's. *British Food Journal* 106 (3): pp. 228-237.

<sup>6</sup> Reinartz, Werner J. and V. Kumar. (2003).The Impact of Customer Relationship Characteristics on Profitable Lifetime Duration. *Journal of Marketing* 67 (1): pp. 77-79.

<sup>7</sup> Watson, R.P., Leyland, F.P., Berthon, P. and Zinkham, G. (2002). U-commerce: expanding the universe of marketing. *Journal of the Academy of Marketing Science*, vol. 30 no. 4, pp. 333-47

<sup>8</sup> Chaffey, D. & Patron, M. (2012). From web analytics to digital marketing optimization: Increasing the commercial value of digital analytics. *Journal of Direct, Data and Digital Marketing Practice* 14(1), 30-45.

<sup>9</sup> Giese, J. L. and J. A. Gote,(2000) .Defining Consumer Satisfaction., *Academy of Marketing Science Review, Journal* vol. 12 no. 2, pp. 169-184

access for free is provided on publishers' websites in relation to the goods or services that the publishers provide. Advertisers should strive to create advertising that are both successful and relevant while posting them online. The corporation maintains a tight rein on its finances and complete command of its schedule thanks to its use of internet advertising..

- (ii) **Email Marketing:** Email marketing is described as the practice of communicating information about goods or services to consumers who have already purchased them or who have the opportunity to do so. Direct digital marketing is used to deliver advertisements, to create brand and customer loyalty, to build consumer trust, and to make brand awareness. Direct digital marketing may also be used to make brand awareness. Utilizing this component of digital marketing makes it simple for the company to advertise both its goods and services. When compared to advertising or other types of media exposure, the cost is quite inexpensive for this method. Putting up a visually appealing combination of visuals, text, and links on the company's goods and services has the potential to capture the customer's full attention.
- (iii) **Social Media:** The marketing done on social media platforms has quickly become one of the most significant aspects of digital marketing. It is a technology that is based on the computer that enables individuals to develop and communicate ideas, information, and photographs on the product or services offered by the firm. According to research from Nielsen, internet users continue to devote a greater proportion of their time to social networking websites than they do to any other category. Facebook, Twitter, LinkedIn, and Google+ are examples of networks that may be used for social media marketing. By using Facebook, a firm is able to explore new possibilities, conduct contests and promotions that are in conformity with Facebook's policies, and run contests and promotions relating to its products and services. Twitter provides businesses with the opportunity to raise both the exposure and visibility of their brand. It is the most effective promotional technique for the goods and services offered by the organization. On LinkedIn, businesspeople may create their own profiles and exchange information with one another. The firm may construct their profile on LinkedIn in order to provide professionals with the ability to examine the company's products and services and get further information about them. Additionally, Google+ is a social media network that outperforms other social media platforms like Facebook and Twitter in terms of effectiveness. Not only is it a basic social media network, but it also functions as an authoring tool that connects online material directly with the owner of that content.
- (iv) **Text Messaging:** It is a method for transmitting data on the goods and services offered by a company via mobile devices such as cellular and smart phones. The corporation may communicate information to its employees in the form of text messages (SMS), photographs, videos, or audio files by utilizing mobile devices (MMS). Mobile phone marketing, often known as the use of SMS, which stands for "Short Message Service," skyrocketed in popularity in the early 2000s throughout Europe and in some areas of Asia. Using text messaging, one is able to send purchase confirmations as well as delivery warnings. SMS marketing generates outcomes that are both more immediate and more significant. Using this method, businesses are able to deliver marketing messages to their clients in real time and at any time, with full assurance that the messages will be seen by the clients. A customer feedback survey may be developed by the company to collect important and useful information from customers that will be used to build new goods and services.
- v) **Affiliate Marketing:** One sort of marketing that is focused on performance is called affiliate marketing. Affiliate marketing is a kind of marketing in which one business compensates another business's affiliates for each visitor or client that the affiliates bring to the business via marketing efforts that they make on the company's behalf. The merchant (also known as "retailer" or "brand"), the network (also known as "the affiliate"), the publisher (also known as "the customer"), and the consumer make up the four primary actors in the industry. Because of the increased complexity brought on by the expansion of the industry, a secondary tier of companies, consisting of affiliate management agencies, super-affiliates, and specialized third party suppliers, has recently emerged. Affiliate marketing may be approached from two different angles: Either a company may sign up to become an affiliate for another company or it can provide its own affiliate programme to other companies. The primary objective of the company in this regard is to discover affiliates who are able to access unoccupied markets. For instance, a firm that publishes an e-zine would make a terrific affiliate since the people who read it are always looking for new materials. Therefore,

presenting one's product via a "trusted" firm might help attract the attention of potential customers who would not have been contacted in any other way.

- vi) **Search Engine Optimization (SEO):**The technique of altering the appearance of a website or a web page in a search engine's "natural" or unpaid ("organic") search results is referred to as search engine optimization (SEO). In general, a website will get a greater number of visits from users of the search engine if it appears sooner (or higher ranked on the search results page) and more often in the list of search results. Different types of searches, such as picture searches, local searches, video searches, academic searches, news searches, and vertical search engines that are dedicated to a certain sector may all be targeted by SEO.
- viii) **Pay per Click (PPC):**Instead of "earning" clicks to your website by organic means, you may produce clicks to your website using a practice known as pay-per-click marketing, which makes use of search engine advertising. Searchers and marketers alike benefit from the pay-per-click model. It is the most effective method for a company's advertisements since it results in lower costs and higher interaction with the goods and services being advertised.

**RESEARCH OBJECTIVE**

The study is made with an intention to measure the impact of the digital marketing on the digital marketing technique on the efficiency of tourism entrepreneurs.

**RESEARCH METHODOLOGY**

The study has been carried out in Tamil Nadu and 100 tourism entrepreneurs are selected as samples for the study.

**FINDINGS AND RESULTS**

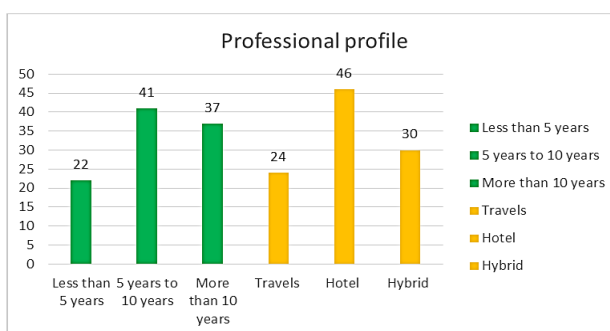
**1. Profile of the sample entrepreneurs**

The professional details of the samples are observed in the study. The experience and nature of the business are given below.

**Table 1: Profile**

Professional profile		Number of respondents
Experience	Less than 5 years	22
	5 years to 10 years	41
	More than 10 years	37
Nature of business	Travels	24
	Hotel	46
	Hybrid	30
Total		100

The level of experience of the respondents in the tourism industry shows that 22 respondents have less than 5 years of experience, 41 respondents have 5 to 10 years and 37 respondents are having more than 10 years of experience. 24 samples are taken from the travel agencies, 46 are from the hotel industries and 30 samples are from hybrid (multi service based) business in tourism.





## 2. Digital marketing techniques

There are several marketing strategies are followed by the service industries. The tourism industry, in the digital era, adopts various digital marketing techniques to promote their business as their customers are from different places it is easy to reach them. Online advertising, advertising through social media, affiliated marketing, advertising through text messages are some of the strategies followed in the tourism industry. The effectiveness of these techniques is observed from the respondents using 5 point Likert scale. They are ranked using the Garret ranking technique.

**Table 2: Effectiveness of the digital marketing techniques**

Technique	Rank	1	2	3	4	5	6	7	Score	Rank
	GV	79	66	58	50	43	35	22		
Online Advertising	f	27	23	12	11	12	5	4	5676	I
	fx	2133	1518	696	550	516	175	88		
Social Media	f	17	18	13	14	10	13	9	5068	III
	fx	1343	1188	754	700	430	455	198		
Affiliate Marketing	f	18	18	22	18	10	2	6	5418	II
	fx	1422	1188	1276	900	430	70	132		
Text Messaging	f	11	11	17	17	16	8	14	4707	IV
	fx	869	726	986	850	688	280	308		
Pay per Click (PPC)	f	9	11	8	11	17	25	13	4343	V
	fx	711	726	464	550	731	875	286		
Search Engine Optimization (SEO)	f	7	9	14	11	14	18	21	4203	VI
	fx	553	594	812	550	602	630	462		
Email Marketing	f	5	4	8	12	15	23	27	3767	VII
	fx	395	264	464	600	645	805	594		

The above table denotes that online advertising (except the social media advertising) is found most effective (5676) than other techniques. The affiliate marketing is ranked second with a score of 5418. The advertisement in social media is also found effective in the tourism industry which ranked third with 5068. Text messaging (4707), Pay per click (4343) and search engine optimization (4203) are ranked fourth, fifth and sixth among the seven techniques.

It is concluded from the findings that the digital marketing plays important role in the tourism marketing. The online advertisement, affiliate marketing and social media marketing are found most successful and efficient.

## CONCLUSION

The adoption of marketing technology offers new opportunities for entrepreneurs and small businesses to unlock value. Indeed there is a large government drive for the uptake of e- business to generate business growth in Europe and the UK and, globally. This includes the recent establishment of a Digital Steering Group by the European Commission to help identify the challenges and opportunities which small businesses are facing in Digital Europe. However, use of e-business, e-marketing and use of social media still present additional challenges for entrepreneurs. It is hoped that this project will generate insights and some solutions for entrepreneurs, practitioners and government agencies, while furthering our understanding of entrepreneurial marketing in the digital age. The study concluded that the digital marketing plays important role in the tourism marketing. The online advertisement, affiliate marketing and social media marketing are found most successful and efficient.

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## **SKILL DEVELOPMENT INITIATIVES IN ENTREPRENEURSHIP START UP IN INDIA**

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### **ABSTRACT**

The development of an economy depends, to a great extent, upon the highly motivated people rightly termed as 'entrepreneurs' who are willing to take risks for achieving tangible growth. A glimpse into the history of India shows that Indian enterprises and entrepreneurial zeal were curtailed by the Colonial British Empire. The more destruction of the Indian handicrafts and village industries during the British rule pushed back the wheels of progress. The study has the following objectives to analyses the Skill Development Initiatives in entrepreneurship start up in the study area and to measure the relationship of the age and educational qualification of the entrepreneurs with the level of entrepreneurial skills. This is a qualitative study made in Chennai city during the month of February 2022. The sample respondents are 100 entrepreneurs have startup in the study area, have been selected using convenient sampling method. The data were collected through the interview schedule. Analysis is made with help of SPSS software. Two way ANOVA has been applied to measure the relationship between the nature of the respondents and their skills. The study concluded that given that startups are emerging as key employment providers, governments both at the Centre and States need to put in place adequate policy framework for the start-ups.

**Keywords:** Skill Development, entrepreneurship, start up and India

### **INTRODUCTION**

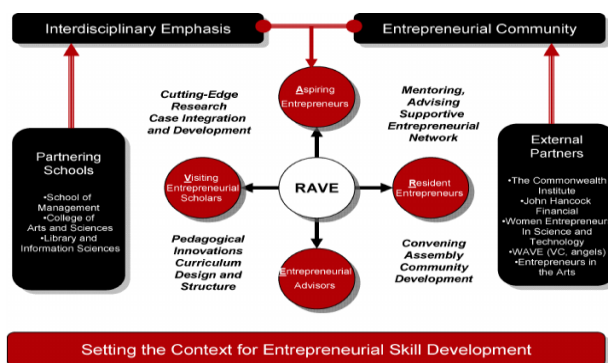
Entrepreneurship is not new to India. In fact to quote from the Indian Industrial Commission Report (1916-1918)—"At a time when the West of Europe, the birth place of modern industrial system, was inhabited by uncivilized tribes, India was famous for the wealth of her rulers and for high artistic skill of her craftsmen. And even at a much later period, when the merchant adventures from the West made their first appearance in India, the industrial development of this country was, at any rate, not inferior to that of the more advanced European nations." The need to promote entrepreneurship for the country's economic growth has attracted the attention of Indian planners in recent times. Though the country is committed to give equal opportunity for growth and for reducing regional imbalances, entrepreneurial growth has been limited to a certain region of the nation. In this chapter, an attempt is made to present the entrepreneurs and the development of entrepreneurship in India in general and Tamil Nadu in particular<sup>1</sup>.

In the entrepreneurial ecosystem the journey of an entrepreneur begins from conceiving an idea to developing it into a project proposal for starting a business. The handholding is required at this stage which is lacking. The entrepreneur is saddled with regulatory hurdles and financial blocks in moving the startup ahead. The availability of risk capital from banks or venture capital companies is limited. Poor infrastructure availability also increases the operational costs for the startups. To quote the National Knowledge Commission, "50% of the entrepreneurs experienced difficulties while seeking statutory clearances and licenses. Two-thirds faced hassles

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<sup>1</sup> Peter Kilby, Indian Entrepreneurship - A Survey in Entrepreneurship and Economic Development (ed) The Free press, New York, 1971, pp.165- 172

while filing taxes and 60% claimed to have encountered corruption. Another hurdle was in accessing reliable information on registration procedures, finance and other schemes. 56% claimed that the paucity of quality infrastructure – especially transport, power, and telecommunications – was a critical barrier.” As a result of these hurdles the proportion of closure of units is also high at the startup stage. The entrepreneurial culture is also lacking as the institutions of learning train students for wage employment rather than in becoming entrepreneurs. A key sociocultural factor also pertains to social attitudes towards risk and failure. To better understand and manage risk as well as create a supportive social environment for entrepreneurs, it is essential to remove the stigma associated with failure<sup>2</sup>.



The policy focus in the labour market has therefore been to create decent jobs which can give the workforce a reasonable standard of living. While the emphasis has been on wage employment it has been felt essential to promote self-employment or to be specific entrepreneurship as an entrepreneur would be in a position to create more jobs. In fact an earlier version of the current Make in India policy was the Swadeshi movement launched in 1905 during the pre-Independence era to boycott British made goods and use Indian made goods. The movement saw the development of the Indian textile industry, the iron & steel industry by the Tatas, publishing of vernacular newspapers, setting up of vernacular medium educational institutions, financial institutions etc. However, post-independence the policy focus of increased public investment in heavy industries and setting up of PSUs did not provide an ideal environment for entrepreneurship. The main problems faced by an entrepreneur were lack of mentoring facilities, technology support or easy availability of credit. Though different Reports on employment highlighted the need for promoting entrepreneurship as means of self-employment, entrepreneurship did not scale up. To mention a few, in the S.P Gupta “Special Group Report on Targeting 10 million Employment Opportunities Per Year” (2002)<sup>3</sup> recommended “appropriate programmes should be launched to increase entrepreneurial capabilities and skill for self-employment.” The Montek Singh Ahluwalia “Report of the Task Force on Employment Opportunities”, July 2001 also mentions about developing entrepreneurship ability among the newly self-employed. The Report even recommends entrepreneurship training for the informal sector. To quote, “A large part of the employment generated by the economy will be self-employment in the informal sector. These self-employed entrepreneurs need training of the multi-skill variety, going beyond production skills to include marketing, finance and accounting and elementary management. Such skills cannot be developed through structured formal training but requires the guidance of “mentors” in actual business conditions”.

## START-UP REVOLUTION

Start-ups today there are different levels of financial support that has come to provide the initial seed capital in the form of incubators, angel funds or venture capital funds followed by private equity and debt in that order. Between January-September 2015, Angel Funds and VCFs have invested \$7.3 billion in early stage Indian Start-ups. India’s first generation e-commerce and mobile entrepreneurs have become angel investors which is a sign of maturing of startup ecosystem. However, there is a danger that too many mentors/ angel investors with little

<sup>2</sup> Wayne, N.F., India Entrepreneurship and Economic Development, Ed., Peter Kilby, The free press, New York, 1997, p.1.

<sup>3</sup> Gupta, G.P. and Srinivasan, N.P., Entrepreneurial Development, Sultan Chand & Co., New Delhi, 1993, pp. 127-130.

experience may lead to a situation of unsuccessful startups.<sup>4</sup>The government has also come a big way in promoting startups. The question therefore what needs to be answered is what is a start-up? A start-up is a company that is in the first stage of its operations. These companies are often initially bank rolled by their entrepreneurial founders as they attempt to capitalize on developing a product or service for which they believe there is a demand<sup>10</sup>. The start-up and SMEs appear to be of the same size with limited revenues, high cost of operation, job creating but they operate on entirely different business models. The difference between a start-up and a SME unit is that a startup is new organization designed to search for a repeatable and scalable business model. A start-up according to Steve Blank –‘is searching for answers to the product it will sell, the customers it will serve and the way it will make money from delivering value to its customers’. A SME, according to the U.S. Small Business Administration (SBA) is an “independently owned and operated, organized for profit, and not dominant in its field.” SMEs generally sell known products to known customers in known local markets<sup>11</sup>. These startup needs an appropriate ecosystem to thrive which includes adequate funds for startups to help them grow; government to create an environment of ease of doing business; ready availability of essential services like office space, location, supplies telecom connectivity etc.; and mentors to provide strategic advice.<sup>5</sup>

### **LATEST POLICY INITIATIVES FOR START-UPS**

The regulatory framework the government introduced the Ease of Doing Business wherein an MSME unit has to fill in a single one page self-declaration online form called Udyog Aadhaar. The Apprentices Act, 1961 was amended to enable even the MSME unit’s engage apprentices which will enable the units to get trained labour as well as in turn supply skilled labour. Under the Apprentice Protsahan Yojana, 50 percent of the stipend payable to the apprentices would be reimbursed by the Government for the first two years which is an incentive for MSME units to take in more apprentices. To give boost to the Make in India programme, the MSME Ministry has launched the ASPIRE scheme in March 2015, a Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship. The objective of the scheme is to set up a network of technology and incubation centers to accelerate entrepreneurship and also to promote start-ups for innovation and entrepreneurship in agro-industry. To ease the credit availability requirements of startups the Government had announced the MUDRA scheme- Micro Units Development & Refinancing Agency, operated by SIDBI for providing refinance to micro units. This would improve the liquidity of the micro units who right now have to borrow from NBFCs and moneylenders at high rates of interest.

To conclude, a startup ecosystem has been created through the new policy initiatives which would not only promote startups particularly in the manufacturing sector but also the micro units would be able to graduate faster as small and medium units. If this objective is achieved the goal of job realization through self-employment would be complete as self-employment is the answer to providing jobs to the huge proportion of population in the economically active age group.<sup>6</sup> This process would be fast tracked by the flagship programmes well supported by the Skill India Mission which would facilitate availability of right skilled manpower as entrepreneurs complains about skill mismatch. Given that startups are emerging as major job creators, governments both at the Centre and States need to put in place appropriate policy framework for the start-ups.

### **SKILL INDIA DEVELOPMENTS**

Oracle on 12 February 2016 announced that it will build a new 2.8 million sq. ft. campus in Bengaluru will be Oracle's largest outside of its headquarters in Redwood Shores, California. Oracle Academy will launch an initiative to train more than half-a-million students each year to develop computer science skills by expanding its partnerships to 2,700 institutions in India from 1,700 at present. Japan's private sector is to set up six institutes of manufacturing to train 30,000 people over 10 years in Japanese style manufacturing skills and practices, primarily in the rural areas. Japan-India Institute of Manufacturing (JIM) and Japanese Endowed

<sup>4</sup> Higgins, Environment and Entrepreneurs, Chugh Publications , Allahabad, 1975, p.43

<sup>5</sup> Evens, George Herberton, “Entrepreneurship and Economic Theory”. American Economic Review, 1949, p.338

<sup>6</sup> Peter Kilby, Indian Entrepreneurship - A Survey in Entrepreneurship and Economic Development (ed) The Free press, New York, 1971, pp.165- 172.

Courses (JEC) in engineering colleges designated by Japanese companies in India in cooperation between the public and private sectors would be established for this purpose. The first three institutes would be set up in Gujarat, Karnataka and Rajasthan in the summer of 2017. In the budget of fiscal year 2017 - 18 the government of India has decided to set aside Rs. 17,000 crore, the highest ever allocation to this sector, in order to boost the Skill India Mission. At least ten million Indian youth enter the country's workforce each year, but the employment creation in India has not been able to absorb this influx, making increasing unemployment a severe problem. Through this allocation the government aims at generating employment and providing livelihood to the millions of young Indians who enter the work force every year. The government has invested Rs. 4000 crore in the launch of SANKALP (Skill Acquisition and Knowledge Awareness for Livelihood Promotion Programme), another big initiative under the Skill India Mission. Through this it aims at providing market relevant training to 350 million young Indians. Apart from this, the government would set up 100 India International Skills Centres that will conduct advanced courses in foreign languages to help youngsters prepare for overseas jobs<sup>7</sup>

### STATEMENT OF THE PROBLEM

Entrepreneurship is one of the most important dynamic forces that can help to shape the economics of nation today. Entrepreneurship is an engine that provides employment to people, while generating wealth. The problems of entrepreneurial development in India are individual, group and institutional in nature. The individual factors consist of lack of self-motivation, lack of technical knowledge, lack of strong economic base, shyness, inhibitions to venture, resistance to change, lack of managerial talent, environment, type of ownership of the business, family system and the like. The group factors identified are group norms, caste, religion, beliefs, jealousy, discouragement from the fellow people, inter-state variation in the industrial climate, lack of sympathy and the like. The identified institutional variables are unrealistic policies, programmes and procedures of implementing agencies, lack of integration between different agencies, political system, despotism and favoritism. There is a need to know about the people's skills, talents, willingness to learn new skills, improve the existing skills, readiness to become entrepreneurs and the factors influencing entrepreneurship. It is also essential to measure their involvement, performance, problems encountered and attitude towards the enterprise for developing their skills.

### RESEARCH OBJECTIVES

The study has the following objectives to

1. To analyze the Skill Development Initiatives in entrepreneurship start up in the study area
2. To measure the relationship of the age and educational qualification of the entrepreneurs with the level of entrepreneurial skills

### METHODOLOGY

This is a qualitative study made in Chennai city during the month of February 2022. The sample respondents are 100 entrepreneurs have startup in the study area, have been selected using convenient sampling method. The data were collected through the interview schedule. Analysis is made with help of SPSS software. Two way ANOVA has been applied to measure the relationship between the nature of the respondents and their skills.

### HYPOTHESES

The following null hypotheses are framed.

- H<sub>01</sub>: There is no significant difference in the entrepreneurial skills according to the level of age.
- H<sub>02</sub>: There is no significant difference in the entrepreneurial skills according to the educational qualification
- H<sub>03</sub>: The skill will not differ for the interaction of age and educational qualification of the entrepreneurs

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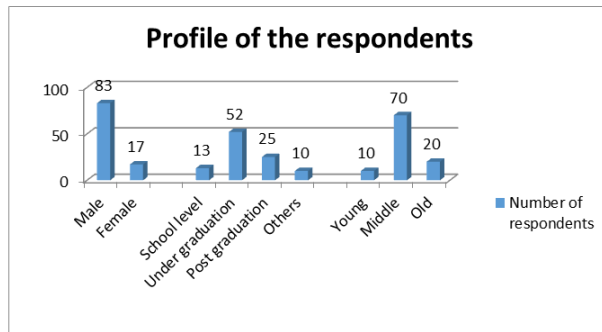
<sup>7</sup> Hompson, J.L., The Facets of the Entrepreneur: Identifying Entrepreneurial Potential. Management Decision. Vol. 42, No. 2, 2004, pp. 243-258

**FINDINGS**

1. Profile of the sample respondents

The socio-economic characteristics of the respondents are collected through the interview schedule. 3 major profiles of the respondents, gender, educational qualification and the age group are given below.

**Chart 1**



The diagram shows that 83 respondents are male and 17 are female. Out of 100 sample respondents,

2. Entrepreneurial skills development

The entrepreneurial skills are cognitive skills, social relational skills, strategies, managerial skills, strategies, technical skills, management system, organizational structure and product or service management. The sample respondents are asked to mention the importance of the skills for their better entrepreneurship. The result is given below.

**Table 1: Entrepreneurial skills**

Skills	Mean	Std. Deviation
Cognitive skills	2.96	1.145
Social and relational skills	3.23	0.920
Strategies	3.15	1.067
Management skills	3.22	1.106
Technical skills	3.05	0.914
Management system	3.22	1.040
Organization structure	3.06	1.108
Product/Service	3.15	1.351

The above table reveals that the social and relational skills are found important for the entrepreneurs (3.23) with less standard deviation. Management skills (3.22) and management system (3.22) are the other important skills required to be developed by the entrepreneurs. The skills for making better strategies (3.15) and product and services (3.15) are also key for their success. From these 8 skills, total score is calculated. The age and educational qualification of the entrepreneurs are considered as important factors to influence their skills. Hence, the influence of the factors on the skills is calculated as below.

**3. Relationship of age and educational qualification with the skills**

The age and educational qualification are considered as independent factors, and their relationship with the entrepreneurial skills is tested with the help of two way ANOVA. The mean of the entrepreneurship skills is compared with the age group and the educational qualification in the following table.

**Table 2: Difference in the entrepreneurial skills according to the age and educational qualification**

Profile		N	Mean	Std. Deviation
Age group	Young	10	21.1000	4.22821
	Middle	70	24.3286	4.67408
	Old	20	29.5000	2.72416

Educational qualification	School	13	25.1538	4.48788
	UG	52	22.9231	4.63087
	PG	25	27.9200	4.14246
	Others	10	28.7000	2.90784
	Total	100	25.0400	4.92144

The total entrepreneurship skills is found high with the old age group (29.50) and middle age group is moderate (24.3286) and young age group is less (21.1000). According to the education qualification, the mean is found high with the respondents belong to the other group (28.7000). The respondents have studied post graduation have next highest mean (27.9200). the difference in the skill level according to the two factors is tested as below.

**Table 3: Relationship of age and educational qualification with entrepreneurial skill: Two way ANOVA**

Source	df	Mean Square	F	Sig.
Corrected Model	10	108.114	7.308	0.000
Intercept	1	19798.542	1338.250	0.000
Age group	2	163.580	11.057	0.000
Educational qualification	3	63.152	4.269	0.007
Age group and Educational qualification	5	27.521	1.860	0.109

The Table 3 gives the result of the two way ANOVA and result of the hypothesis testing. The difference in the mean of skills according to the age and educational qualification (as discussed in table 2) is found significant. The F values for age (11.057) and the educational qualification (4.269) are significant at 1% level. Hence, the framed null hypotheses framed regarding to the age and education qualification ( $H_{01}$  and  $H_{02}$ ) are rejected. It is concluded that the entrepreneurship skills of the respondents is found high with the old age group entrepreneurs and the other category of the entrepreneurs and post graduates.

The third hypothesis of assuming the difference in the skills with the interaction of age and educational qualification is accepted. The F value is 1.860 and the p value is 0.109. Hence, it is concluded that the entrepreneurial skills do not differ interaction of the age and educational qualification of the entrepreneurs.

## CONCLUSION

A startup ecosystem has been formed via the new policy measures which would not only boost startups notably in the manufacturing sector but also the micro units would be able to graduate quicker as small and medium units. If this target is fulfilled the goal of job realization via self-employment would be complete since self-employment is the solution to supplying work to the enormous percentage of people in the economically active age group. This process will be fast paced by the flagship courses properly supported by the Skill India Mission which would allow availability of appropriate trained personnel when entrepreneurs concerns about skill mismatch. Given that startups are emerging as key employment providers, governments both at the Centre and States need to put in place adequate policy framework for the start-ups.

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## CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTICES IN BANKS (A STUDY WITH SPECIAL REFERENCE TO KERALA)

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### Abstract

In a competitive marketplace where businesses compete for customers, CRM is seen as a key differentiator and increasingly has become a key element of business strategy. Organizations are increasingly interested in retaining existing customers while targeting non-customers; measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace. The study has been carried out with the following objectives to study the CRM practices followed in the banks and to measure the influence of the CRM practices in customer retention. The study has been conducted with 300 customers of the private banks in Kerala. The study is descriptive in nature. The sample respondents are selected using simple random technique. The data was collected using interview schedule. The author concluded that CRM operations should include not just the sales and marketing departments of a company but also each and every other department in the company. CRM is an innovative, up-and-coming strategy that has lately been drawing the interest of organizations.

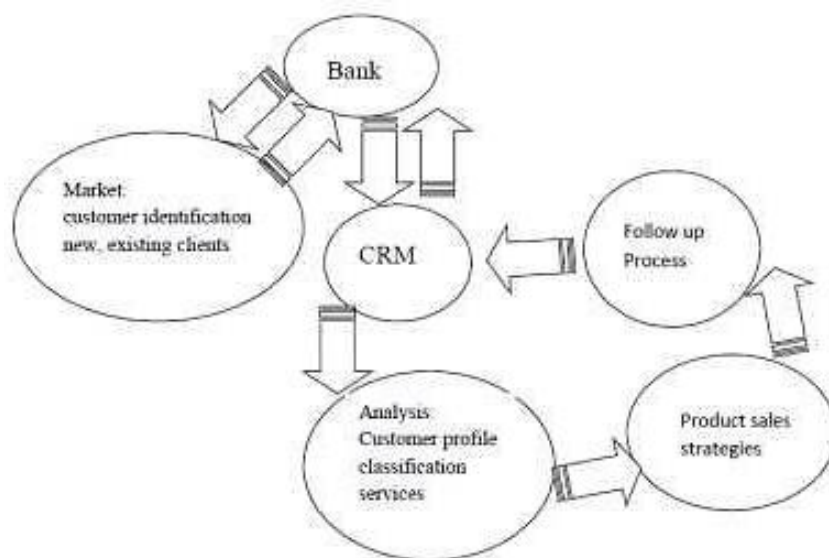
**Keywords:** Customer, Banking Sector, Attitudes, Perception and Intelligence.

### INTRODUCTION

CRM is a kind of business strategy that is characterized by its alignment of product and sales tactics with the needs and preferences of customers. After then, services are delivered in a prompt way using the communication methods that are most desired by the clients. An efficient customer relationship management system must first center on the formulation of company strategy and the realignment of an organization to better serve consumers. After then, the customer relationship management (CRM) technology solutions are used to put these business plans into action. Once a corporation has gained an understanding of the behaviour patterns and attitudes of its clients, only then can the most effective business plans be devised. Studies of consumer behaviour reveal the items and services that were bought in the past as well as those that are being bought right now. Studies of consumer attitudes reveal the thoughts and emotions of consumers with regard to their future purchasing choices. Uncovering. The process of determining a customer's behaviour patterns and sentiments begins with the collection of relevant transactional and survey data, continues with the placement of the data into a data repository, and concludes with the use of analytical methodologies. After the knowledge has been gleaned from the data, a workable business strategy can be formed to devise the multi-channel consumer interaction tactics that will result in the best goods or services being provided. There is a kind of CRM known as evolutionary CRM that places a significant emphasis on the management of assets known as "customer equity." Taking this technique means starting with the formulation of a corporate plan. Following this step, a data architecture that facilitates interactions with customers is built. After that, the necessary technological infrastructure to generate CRM outcomes is developed. In the end, customer communication channel strategies are developed, and technology that facilitates strategy implementation is used to initiate and maintain an ongoing conversation with the consumers.

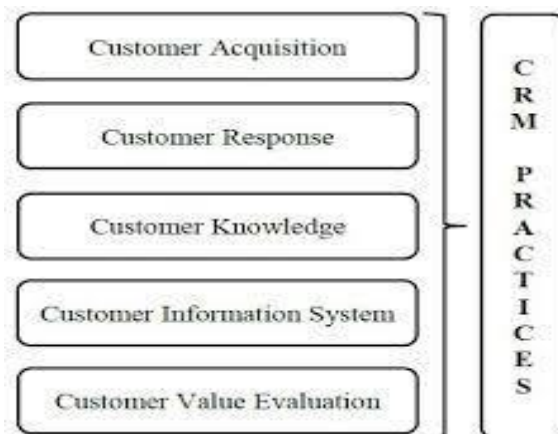
A customer relationship management system (CRM) in the banking sector helps the banking business to confront clients with confidence, strengthen infrastructure, and enjoy customer acquisition and retention, all of which eventually contribute to increased performance. When clients use a variety of banking products, such as automated teller machines, telebanking, internet banking, online supplementary services, and so on, banks are

using a variety of strategies in order to boost the level of customer satisfaction. These strategies include the following: In addition, as part of customer relationship management (CRM), some banks are keeping adequate cash balances in automated teller machines (ATMs), ensuring security measures for safe dealing in internet banking, providing speedy services through online ancillary services, maintaining a hotel lobby experience for front office customers, sending seasonal greetings to customers, wishing customers well on their birthdays, and so on. Some of these methods have been extensively adopted by financial institutions in an effort to strengthen client loyalty. These may be considered the best practices for implementing CRM in the retail banking industry. In India, the banking industry is a service industry, and as such, there is no one approach for ensuring customer satisfaction. Through the use of best practices, the banking industry in Kerala was able to increase levels of customer happiness and loyalty, as well as cost and operational efficiency.



### CRM BEST PRACTICES AND CUSTOMER LOYALTY IN BANKS - A THEORETICAL OVERVIEW

Banking is such an important sector that it touches the life of every human being in some way or the other. Tremendous changes have taken place in Indian banking sector in such aspects as the way banks operate, in technology, operational speed and especially in their approach towards dealing with customers, in the last 10 years or so. At a time when the Indian banking sector was monopolized by few public sector banks, the level of attention given to the customer was very low. But in today's changed scenario, i.e. after the entry of a number of private and foreign banks in the Indian banking sector, there has been a shift in the focus of Indian banks from 'transaction focus' to 'relationship focus'. The cut-throat competition that exists among the various public, private & foreign banks has necessitated them to adopt a strategic approach in dealing with their customers. Today banks are the major followers of customer relationship management practices. Customer relationship management is the process of attracting, maintaining, and enhancing customer relationships. Customer relationship management or retention marketing represents a paradigm shift within marketing away from an acquisition and transaction focus towards a relationship focus. Building long-term and profitable relationships with chosen customers and getting closer to these customers at every point of contact with them are the two major goals of CRM. The present paper is an attempt made by the author to present the meaning of CRM, regarding how Indian banks have transformed from transaction focus to relationship focus, factors that created a strong need on the part of Indian banks to adopt CRM, the IDIC framework in banking and the relationship marketing strategies that help a banking firm in bonding with its customers. There is still a long way to go in implementing customer relationship management by banks, as the trend started only in the recent past. Still in some rural areas the level of attention and promptness in service given by few public sector banks to their customer is very low.



### TREND OF BANKING SECTOR IN INDIA

The Indian Banking system currently consists of commercial banks, cooperative banks, specialized financial institutions and non-banking financial companies (NBFCs). The Reserve Bank of India acts as a centralized body monitoring any discrepancies and shortfalls in the system. Banking sector reforms, liberalization and deregulation has opened new opportunities as well as competition from different areas for banks in India. Due to unique geographical, social and economic features, Indian banking system is significantly different when compared to Asian Nations. India is characterized by its diverse culture, large population, larger land size, extreme disparities in income, etc. Indian economy is distinguished by high levels of illiteracy along with large reservoir of managerial and technologically advanced talents. Economic policy of the country is a mixed framework combined with socialistic and capitalistic features with heavy investment in the public sector. India follows growth led exports with emphasis on self-reliance by import substitution. The banking system serves the goals of economic policies enunciated in successive five year development plans, balanced regional economic growth, equitable income distribution, and the reduction and elimination of private sector monopolies in trade and industry. In order to serve the banking industry as an instrument of state policy, it was subjected to various nationalization schemes in different phases. Hence, banking remained internationally isolated because of preoccupations with domestic priorities, especially massive branch expansion and attracting more people to the system.

### THE IMPORTANCE OF THE INVESTIGATION

The goods are all the same, maintaining good relations with customers is very important in the service industry. The only way to separate them is to provide them in a different method, which demonstrates that certain best practices are required to differentiate them in order to do so. In the banking business today, customer relationship management (CRM) is a buzzword. Best practices are a set of policies and procedures that financial institutions have begun putting into place because they believe doing so will help them enhance the quality of the relationships they have with their customers. These approaches have secured long term connections with consumers, enhanced customer life cycles, decreased customer exits, boosted customer loyalty, referral marketing, word of mouth publicity, and increased staff productivity, among other benefits. Research findings suggest that the costs of customer retention activities are less than the costs of acquiring new customers. This finding lends support to the notion that CRM plays a significant role in the service industry. In addition to the benefits that long-term relationships with customers bring, these findings also suggest that the costs of customer retention activities are less than the costs of acquiring new customers. The needs and expectations of clients are growing at a rate that is now out of the banks' ability to handle. CRM and its best practices have the potential to be of more use in this scenario. Additionally, it is no longer necessary to have direct interaction with clients in order to offer goods or services in today's modern world. Therefore, the best practices of banks may improve both the customer experience and customer loyalty, as well as give the most lucrative products to the clients who bring in the most revenue, which is why this research is important.

## SCOPE OF STUDY

In today's hypercompetitive environment, nearly all businesses place a greater emphasis on satisfying their customers than they do on attaining their main goal, which is to maximise profits. As a result of these factors, businesses are developing an increasing number of marketing strategies. A marketing approach known as CRM is developed as a result of this. Nearly every business recognizes the need of customer relationship management (CRM) software in order to fulfil the requirements of their customers and provide the highest possible level of service. CRM has developed into an instrument that is indispensable in the management of a company's client base. It is acquiring a significant amount of significance in the modern world. CRM is an efficient instrument for the marketing of products or services, which is why I chose it to be the focus of my research. Ultimately, I want to get a postgraduate diploma in marketing.

## STATEMENT OF THE PROBLEM

To maximise the value of their client relationships in today's market, banks cannot depend on raw force alone; rather, they need the assistance of technology and tools that enable them to do so. CRM, or customer relationship management, is a system that enables the banking sector to monitor and capitalize on each client encounter, therefore increasing revenue potential and strengthening customer loyalty. It also assists banks in automating mundane work and establishing best practices, both of which are necessary steps in the process of optimizing their operations. In the end, customer relationship management (CRM) enables financial institutions to acquire, manage, service, and extract value from their clients in a more effective manner, all while increasing their operational efficiency, which is something that is essential in today's world. In point of fact, several academics have identified customer relationship management as a top issue for organizations, especially financial institutions. This tendency has maintained, and researchers go on to claim that if there is one area of technology in which you should boost your investment today in spite of the uncertain economic climate, it is customer relationship management (CRM).

## OBJECTIVES OF THE STUDY

The study has been carried out with the following objectives

1. To study the CRM practices followed in the banks
2. To measure the influence of the CRM practices in customer retention

## METHODOLOGY

The study has been conducted with 300 customers of the private banks in Kerala. The study is descriptive in nature. The sample respondents are selected using simple random technique. The data was collected using interview schedule.

## Findings

### 1. Socio-economic characteristics

The nature of the customers will have an impact on their attitude and behaviour. In this perspective, the age, gender, educational qualification, domicile and level of annual income are studied. They are given below.

**Table 1: Socio-economic characteristics**

Socio-economic characteristics		Frequency	Percent
Age	Young age	119	39.7
	Middle age	114	38.0
	Old age	67	22.3
Gender	Male	174	58.0
	Female	126	42.0
Educational qualification	School level	31	10.3
	Under graduation	135	45.0
	Post graduation	84	28.0
	Others	50	16.7
Domicile	Urban	114	38.0

	Rural	154	51.3
	Semi urban	32	10.7
Income group	Low income	91	30.3
	Middle income	153	51.0
	High	56	18.7
Total		300	100.0

The respondents are grouped based on the age as young (less than 30), middle age (30 to 45 years) and old age group (more than 45 years). 119 (39.7%) respondents are from young age group, 114 (38.0%) respondents are in middle age group, and 67 (22.3%) respondents belong to the old age group. 174 (58.0%) respondents are male and 126 (42.0%) are female.

31 (10.3%) respondents have studied upto school level, 135 (45.0%) respondents are undergraduates, 154 (51.3%) are post graduates and 50 (16.7%) respondents are from other categories. According to the nature of the residential area, 114 (38.0%) respondents are from the urban area, 154 (51.3%) from semi-urban and 32 (10.7%) are from the rural area. The classification of the respondents based on their annual income shows that 91 (30.3%) respondents are from less income group (less than Rs. 2, 00,000 pa), 153 (51.0%) respondents from middle income group (from Rs. 2,00,000 to R. 5,00,000) and 56 (18.7%) respondents from high income family (more than Rs. 5,00,000 pa).

## 2. CRM practices

Customer Relationship Management is the key for the success in the banking business. They adopt different strategies to attract and satisfy more number of customers. This study has considered reputation, value added services, better service customers, convenience, cost effectiveness and the influence from the other people are analysed. The result is as follows.

**Table 2: CRM strategies**

CRM strategies	Code	Mean	Std. Deviation	Mean Rank	Rank
Reputation/ Brand name	S1	4.07	1.055	4.47	I
Value added services	S2	3.68	0.808	3.92	II
Better service	S3	3.31	0.947	3.35	III
Convenience	S4	3.06	1.044	2.97	VI
Cost effective	S5	3.13	1.370	3.18	IV
Others influence	S6	3.15	1.113	3.12	V

According to the Table 2, the reputation (4.47) is the most successful strategy to attract more number of customers. Value added services (3.92) given by the bankers are also expected by the customers. Better services (3.35) from the bank give reputation and improve the customer relationship. cost effectiveness (3.18) is also expected by the customers. Influence from other people (3.12) and the convenience (2.97) are ranked fifth and sixth in the CRM strategies applied.

## 3. Customer retention practice

The retention of the customers by the bankers keeps their business stable and successful. The CRM practices play important role in retaining their customers. In this perspective, the customers retention strategies like giving robust customer journey, database management, setting expectations, listen to the customers, etc., are considered as strategy for the customer retention. The score from the likert scale is calculated for these strategies and the impact of the CRM practices on the retention is calculated with the help of regression model. The result is discussed here below.

**Table 3: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.582	0.338	0.325	4.25934

a. Predictors: (Constant), S6, S1, S3, S2, S4, S5

The regression model summary shows that R value is 0.582, R Square is 0.338 and Adjusted R Square is 0.325. The R value is less than 0.8 and R Square value indicates the contribution of the independent variable (CRM

strategies) towards the variance in the dependent variable (retention) is 33.8%. It shows that other variables contributes maximum in the retention of the customers.

**Table 4: ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2717.376	6	452.896	24.964	0.000
Residual	5315.611	293	18.142		
Total	8032.987	299			

Dependent Variable: Retention

Predictors: (Constant), S6, S1, S3, S2, S4, S5

The ANOVA table shows that the calculated F value is 24.964 and p value is 0.000. Hence, the model is accepted and taken for further interpretation.

**Table 5: Coefficients**

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	9.950	1.646		6.046	0.000
A robust customer journey	1.058	0.268	0.215	3.948	0.000
Database management	0.791	0.353	0.123	2.244	0.026
Setting expectations	0.732	0.300	0.134	2.436	0.015
Listen to the customers	0.652	0.319	0.131	2.045	0.042
Make it personal	0.686	0.275	0.181	2.492	0.013
Stay in touch	1.196	0.292	0.257	4.099	0.000

Dependent Variable: Retention

The Table 5 shows that influences of the predictors (CRM strategies) on the retention of the customers and the other factors (constant) are significant. The calculated t values for constant, and other practices are more than 1.96. The p values are less than 0.05. Hence, it is concluded that the all the CRM strategies adopted by the bankers are significantly influencing to retain the customers.

## CONCLUSION

CRM is considered as a crucial differentiator, and it has become an increasingly important component of corporate strategy in recent years. Measuring customer satisfaction is an indicator of how well a business is at supplying goods and/or services to the marketplace. Organizations are becoming more interested in maintaining current customers while also pursuing non-customers. A customer relationship management (CRM) system may be an essential component of a successful business. However, the manner in which customer relationship management (CRM) technologies are used may have a significant impact on the results. CRM operations should include not just the sales and marketing departments of a company but also each and every other department in the company. CRM is an innovative, up-and-coming strategy that has lately been drawing the interest of organizations. They want to do this by determining the value that may be provided to clients in conjunction with their goods by means of the supplementary processes and services that they provide.

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## **A DESCRIPTIVE STUDY ON START-UP INDIA – PROGRESS TOWARDS DEVELOPMENT AND HARNESSING INNOVATION**

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### **ABSTRACT**

Startup India initiative will provide a new dimension to the entrepreneurs and help newcomers in setting up their businesses as well as make a live network of start-ups through the connection. Highly skilled and multi-talented youths of the country will be completely benefitted through this campaign and able to generate new jobs. This campaign is the result of the commitment of the government to make India a developed country by 2022 with the availability of house, electricity, job and other basic needs to all people. The aim of the study is to measure the awareness level among young people about towards the Startup India – Progress towards Development and Harnessing Innovation highlights. The study is descriptive in nature conducted in Erode city during May 2022. 200 sample respondents are selected using purposive sampling method. The young respondents (aged between 20 and 35 years old) indenting to do their own business are purposively selected. The data have been collected from them using Google forms. The study concluded that the Government also aims to minimize regulatory barriers in setting up startups despite facing certain major challenges like elimination of unscrupulous entities.

**Keywords:** Entrepreneurship, Innovation, Startup Hub and Economic Growth

### **INTRODUCTION -STARTUP INDIA CAMPAIGN**

The Startup India campaign is an effective action plan that has the intention to promote bank funding for start-up enterprises in order to develop entrepreneurship and encourage start-ups with the creation of employment. It is devoted to limiting the role that states play in the policy domain and eliminating "licence raj" and other disruptions, such as those that occur in the processing of land approvals, proposals for foreign investments, and environmental clearances. "Startup India" is a game-changing initiative that was launched to support individuals throughout India who are interested in beginning their own companies. Because these individuals have capabilities as well as ideas, the government will provide assistance for them so that they may put their ideas into action and continue to develop. If this plan is successful, India will ultimately have a more robust economy and become a more powerful country. The mission of the effort known as "Startup India" also includes the promotion of entrepreneurialism across all demographics of the country's population. The creation of a robust ecosystem in India for the encouragement of innovation and the launch of new businesses, known as "Startups," will be one of the primary drivers of long-term economic growth as well as the source of a large number of job openings. This is one of the most important goals of the government of India. The purpose of this endeavour on the part of the government is to facilitate the growth of startups via the use of modernization and design. The Indian government has established a number of different credit programmes for new businesses as part of the Startup India initiative. As of the year 2018, the total capital that had been earmarked for the programme was 20,000 Crores. The government also has plans to establish startup support centres at institutes of technology such as the National Institute of Technology (NIT), institutes of science education and research such as IISER, and institutes of technology such as IIIT (Indian Institute of Information Technology). The establishment of an atmosphere in India that is favourable to the development of new firms in their early stages is the primary purpose of the programme.



## THEORETICAL UNDERPINNING

Learning about business ownership and management is an essential step in making a positive impact on the expansion and innovation of our culture. In addition to this, it gives an inventor the means to lift a society out of poverty and generate job opportunities for others by giving them the wings they need to soar. Every year, a new business initiative holds up the possibility of financial success and fulfilment to an entrepreneur who is willing to take on inherent risk. The introduction of new companies almost always results in an expansion of the economy and raises the general level of living across the community. From radio to television to mobile phones, new technologies have introduced significant changes into our lives. It is common knowledge that innovation is directly proportional to economic growth. Financial Institutions help entrepreneurs to overcome the financial obstacles and meet up entrepreneurial activity. It is essential to the ongoing growth of our economy that we have a deeper understanding of what entrepreneurship is and the forces that drive it. The results of these efforts have been fruitful. In recent years, there has been a greater emphasis placed on entrepreneurial activity within the academic community. The strength of the work presented in this literature is a testament to the growing awareness in this work among academics who come from a variety of different views. The creative and imaginative minds of today are shifting toward new ways of thinking about financing for entrepreneurial startups. The word "startup" is the subject of much debate; nonetheless, the majority of definitions of the term are comparable to what the United States Small Firm Administration describes as "a business that is primarily technology focused and has great growth potential."

## FUNDING PATTERN FOR STARTUP VENTURE

India's investments in technology, technical alliances, the need to keep up with current trends, more flexibility in the labour market, and a more supporting education and training system. In spite of all of these advantages and disadvantages, it is heartening to take notice of the fact that India has managed to become the second biggest center of startups in terms of the number of companies already in operation. The funding of new ventures may be accomplished in a variety of different methods.

**Angel Investing:** The first step for businesspeople who want to establish their own company is to hunt for angel investors. Angel investors are often very successful businesspeople who have amassed a substantial fortune in their field and are eager to reinvest some or all of it in new ventures. Angel investors typically focus their attention on early-stage companies. Angel investors provide more than just financial resources to new businesses. They bring a wealth of contacts and advice with them, both of which may be quite beneficial to the business. Investors Circle, Golden Seeds, and technology Coast Angels are three of the most prominent angel networks that connect business owners with potential financial backers. Angel investors have the potential to be the "angels" that businesses so desperately need.

**Bank Financing:** Loans from banks and non-bank financial companies (NBFCs) assist finance the acquisition of goods and equipment for start-up enterprises in India. These loans also help secure operational capital and funding for growth. Most notably, in contrast to angel investors and venture capitalists, banks do not seek to acquire ownership in ventures in which they invest. This is an effective method for raising capital for new businesses and ventures. People may be required to have their loan agreement guaranteed by the Small Business Association in order to get a loan from the bank. This requirement may be imposed by the banker (SBA). The loan will be authorized after the Small Business Administration has guaranteed the arrangement.

**Business Partner** The involvement of a business partner is yet another possibility for the financing of new ventures. If a candidate has an original concept for a company but he does not have sufficient cash to invest in the firm, then it is a prudent strategy for him to discuss his idea with a partner or friends in order to get financing. Candidates have a responsibility to exercise caution with regard to certain aspects when choosing a business partner.

**Crowd Funding** The use of crowd financing as a source of capital for newly established businesses is still in its infancy stage. It is well-liked among newly established businesspeople. The general public contributes their own personal dollars in order to finance the company concept that they have. The only thing that candidates need to do is post their proposal on a website that facilitates crowd fundraising, and individuals may then decide how much money they wish to donate to a certain project. The majority of the crowd financing websites operate

using a model that is based on rewards. This means that users who agree to invest in a certain business concept are offered a reward in exchange for their contribution, such as the product that is going to be manufactured.

**Venture Capital** : Candidates also have the option of soliciting financial backing for their fledgling businesses from venture capitalists. People who invest their money in startups with the expectation that such enterprises will expand in the future are known as venture capitalists. In exchange for their financial support, they will often obtain shares in the newly founded company. However, the pattern that prevails in today's business world is to call for a combination of loan and equity financing.

**Convertible Debt**: This method of providing financial support for initiatives is rather young and has only lately gained popularity. Y generation Startups have had an exceptional amount of success with it, which has contributed to its rise to popularity. Every startup has been given an offer of a convertible financing package worth \$150,000 from Yuri Miller and SV Angel. A debt obligation may be converted into equity at some point in the future if an investor purchases convertible notes. This conversion takes place at a discount to the subsequent financing round that the company raises and has a cap; hence, if the company is successful in obtaining a large round of funding, the debt investors have safeguarded themselves against the possibility of having their stakes reduced. There is no obligation to establish a value when dealing with convertible debt. During the subsequent round of funding, this concern will be addressed. It lowers the costs associated with the transaction.

### **GOVERNMENT MEASURES TO PROMOTE STARTUP CULTURE IN THE COUNTRY**

A freshly emerging business venture that tries to solve a need, demand, or issue in the marketplace by building a sustainable business model around goods, services, processes, or platforms is known as a startup. An entrepreneurial endeavor is also known as a recently emerged business venture. The startups that participate in this programme are eligible for a number of benefits, including certain tax exemptions, a fast track, and a rebate of up to 80 percent on patent applications, as well as investment opportunities through Alternate Investment Funds and other programmes run by the Government of India. The purpose of the initiative is to provide funding support and incentives in areas such as patent filing and simplifying the process of starting a business in order to realize the vision of creating a platform where aspiring entrepreneurs can establish themselves without any hassles. This will allow for the realization of the vision. The National Institution for Transforming India (NITI AYOJ) of the Government of India, in conjunction with the Department of Science and Technology, the Department of Entrepreneurship and Skill Development, the Ministry of Micro, Small, and Medium Enterprises, the Department of Industrial Policy and Promotion, and the Department of Human Resource Development, has implemented a multitude of policy measures in an effort to construct a startup ecosystem in India that is on par with those in other developed nations. A number of states have also published state level startup policies, which may be found at the state level.

**Atal Innovation Mission (AIM)**: The Government of India is all game for promoting a culture of innovation, self-employment and entrepreneurship. Under its dynamic program of Atal Innovation Mission, the government endeavors to promote innovation and entrepreneurship by establishing new Business Incubation Centers called Atal Incubation Centers (AICs) that would nurture creative start-up businesses in their pursuit to become scalable and sustainable enterprises.

**A grant or other kind of financial support offered via this programme**: The successful applicants will get a grant of around 10 crore Indian rupees (about \$1.5 million) spread out over a period of five years to create an incubation center. With this funding, we will be able to meet both the operating and the capital expenses. The sum may change based on the business plan that is given by the academic institution that is applying for the grant. The applicant will be heavily encouraged to make the incubator self-sustaining over the course of the next five years. Grant provided by Department of Science and Technology (DST): Department of Science & Technology, Government of India, is also motivating Technology Business Incubators primarily in and around academic, technical and management institutions to tap innovations and technologies for venture creation by utilizing the expertise and infrastructure that's already available with the host institution. Launch of the Atal Innovation Mission with the goal of fostering entrepreneurship via self-employment and talent utilisation (SETU), with the intention of providing innovators with the assistance and guidance they need to become

prosperous business owners. In addition to this, it offers a stage upon which novel concepts might be conceived. On the page that you linked to, you'll find information that's pertinent to the Atal Innovation Mission (AIM). Establishment of an incubator through a public-private partnership (PPP) – In order to guarantee the competent administration of incubators that are government-sponsored or -funded, the government will formulate a policy and a framework for the establishment of incubators all over the country through public-private partnerships. The private sector will be responsible for management and operation of the incubator. Click on the link given here for further reading material on public-private partnerships.

With the start of the new fiscal year on April 1, 2021, the Startup India Seed Fund Scheme was into force. The program's objective is to provide financial support to newly established businesses in order to facilitate proof of concept, prototype development, product testing, market entrance, and commercialization.

#### **Need for NIDHI (National Initiative for Development and Harnessing Innovations)**

The Indian startup ecosystem recently, both in terms of the rise in the number of new firms that have formed and also in terms of the agreements for investment that have been concluded and the total amount that has been invested. Despite this brilliant backdrop, the issue that the young student innovators confront is to obtain the first finance for his or her firm. This may be thought of as the "admission fee" for the startup. The innovator has now reached the point where he or she has completed the technological demonstration and has a prototype that is operational; as a result, the innovator is now seeking to prepare his business strategy, validate the product, and create a company. At this point, the most significant obstacle for him or her is product creation and validation. The establishment of a startup, the development of a product, and its validation all demand investments on the side of a young inventor. The first finances that are required at this point often come from friends and family, angel investors, and high net-worth individuals (HNI) who are willing to invest in a firm that is still in its early stages. Conventional investors, including venture capitalists, are unable to participate in an endeavour because it carries an unacceptable level of risk in the event that the underlying technology has not been validated and the market conditions are not clear. Because a chain is only as strong as its weakest link, NIDHI was designed to connect and strengthen all of the links in the innovation chain, from scouting to maintaining to securing to scaling to showcasing. This is because a chain can only grow as large as its weakest link. The many departments and ministries of the central government, the governments of the states, academic and R&D institutions, mentors, financial institutions, angel investors, venture capitalists, industry champions, and private sectors are all considered to be essential stakeholders in NIDHI.

#### **RESEARCH OBJECTIVES**

The aim of the study is to measure the awareness level among young people about towards the Startup India – Progress towards Development and Harnessing Innovation highlights.

#### **RESEARCH METHODOLOGY**

The study is descriptive in nature conducted in Erode city during May 2022. 200 sample respondents are selected using purposive sampling method. The young respondents (aged between 20 and 35 years old) indenting to do their own business are purposively selected. The data have been collected from them using Google forms.

#### **FINDINGS**

##### **1. Profile of the respondents**

The young people have been selected as sample respondents in the study. Their other socio-economic profile is given below.

**Table 1: demographic variables**

Demographic variables		N	%
Gender	Male	174	87.0
	Female	26	13.0
Educational status	Under graduation	125	62.5
	Post graduation	42	21.0

	Others	33	16.5
Nature of family	Joint family	72	36.0
	Nuclear family	128	64.0
Parents doing business	Yes	73	36.5
	No	127	63.5
Income level	Less than Rs. 5,00,000	64	32.0
	Rs. 5,00,000 to Rs. 10,00,000	105	52.5
	More than Rs. 10,00,000	31	15.5
Total		200	100.0

The gender of the respondents shows that 174 respondents are male and 26 are female. Based on the educational status, 125 respondents are under graduates, 42 are post graduates and 33 are from other categories like diploma and other technical courses. 72 respondents are from joint family and 128 are from the nuclear family.

Number of respondents from the business family is 73 and rest of the 127 respondents' parents are in other occupation. The respondents are grouped as less than Rs. 5 Lakhs per annum (64 respondents), 105 respondents' annual income is from Rs. 5 Lakhs to Rs. 10 Lakhs and 31 respondents earning above Rs. 10 Lakhs per annum.

## 2. Awareness about the Progress towards Development and Harnessing Innovation

The awareness of the young aspirant towards their startups is analysed in two aspects, i.e., their perception towards the capital mobilization which is the key for the business startups and awareness about their entrepreneurship skills.

### i. Capital mobilization

Mobilization of capital for a startup can be done through various sources. The nature of the capital decides the risk and return. The entrepreneurs should know the cost and risk involved in the different type of capital formation. Angel capital, finance through banks, public, partnership, convertible debts, etc. The perception of the respondents about the capital mobilization for their new startups is observed as below.

**Table 2: Perception about capital mobilization**

Capital mobilization	Mean	Std. Deviation	Mean Rank	Rank
Angel Investing	3.57	1.128	4.15	I
Bank Financing	3.30	1.120	3.75	II
Crowd Funding	2.93	1.176	3.05	VI
Business Partner	2.98	1.449	3.20	V
Debt	3.05	1.168	3.25	IV
Venture Capital	3.24	1.116	3.60	III

Most of the respondents prefer the angel investment for their new startups (4.15) which is ranked first. The finance from the banks is other most preferred form of capital formation (3.75). The young entrepreneurs are also well aware about the venture capital (3.60). They have given debt (3.25), adding business partners (3.20) and fund from public investment (3.05) are ranked fourth, fifth and sixth among the different forms of capital mobilization.

### ii. Awareness about the required entrepreneurial skills

The entrepreneurship skills are important for every businessman. Especially, the new and young entrepreneurs must aware about the skills they should possess. They need talent to make successful strategies, business knowledge, understanding the market and customers, technical knowledge, management skills and ability to make system, etc. The following table depicts the awareness of the respondents towards the different skills.

**Table 3: Awareness about the entrepreneurial skills**

Skills	Mean	Std. Deviation	Mean Rank	Rank
Strategies	3.31	1.081	4.82	III
Business knowledge	3.52	1.264	5.27	I
Understanding the market	3.37	1.038	4.96	II
Technical knowhow	3.10	1.040	4.35	IV
Management system	2.98	1.156	4.13	V

Product/Service	2.90	1.297	4.10	VI
Efficient Management	3.06	1.197	4.35	IV
Organization structure	2.96	0.984	4.03	VII

The respondents give importance to the knowledge about their business (5.27), understanding the market (4.96) and adopting different business strategies (4.82). The technical knowhow (4.35) and efficient management (4.35) are ranked fourth in their awareness level. The awareness score of the respondents are calculated by summing up all the skills. Then, it is relationship with their family background is studied.

### 3. Relationship between the awareness about the required entrepreneurial skill and their family involvement in business

The difference in the awareness level of the respondents according to their family related to the business is analyzed with the help of Mann-Whitney U test. The result is given below.

**Table 4: Relationship between the family background and the entrepreneurial skills**

Family in business	N	Mean	Mean Rank	Tests	Result
Yes	73	26.5205	118.50	Mann-Whitney U	3321.500
No	127	24.1024	90.15	Z	-3.352
Total	200			Sig.	0.001

The 73 respondents from the business family has mean average of 26.5205 and other respondents' mean is 24.1024. It shows that the respondents from the business family have more aware about their skill required. The mean rank for the formers is 118.50 and later is 90.15. The difference in the mean rank is significant as per the result of the Mann-Whitney U test. The Z score is less than -1.96. Hence, the p value is 0.001 which is significant at 1% level. It is concluded that the young startup entrepreneurs from the business family background are well aware about the entrepreneurial skills than the young entrepreneurs come from other family background.

## CONCLUSION

In recent years, startups have been receiving increased attention in many parts of the world. In India, the number of startups has increased fast and more support has become available in all dimensions. Start up areas are very good but the main problem is implementation. Government has long history of paper works and little implementation. If initiatives are implemented properly, it will become a big success story for Government. In short, it can be seen that entireaction Plan offers various opportunities for all types of start-ups in India thereby aiming to give a small push to new innovative businesses and provide them assistance in establishing their business. The success of Startup India campaign pivots on initiatives like easier registration of Companies, self-certification for many legal requirements, zero inspection for three years, funding for patents, and speed of patent protection. The Government also aims to minimize regulatory barriers in setting up startups despite facing certain major challenges like elimination of unscrupulous entities. Apart from this, there are some other grave concerns relating to the certification of start-ups' "innovation" by Government authorities.

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# **A CONCEPTUAL STUDY ON FOREIGN DIRECT INVESTMENT AND SERVICE SECTOR: AN OVERVIEW**

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## **ABSTRACT**

At the backdrop of expanding economies and in the race of attracting higher investments and enhancing exports, it becomes important to analyse the relationship between Foreign Direct Investment (FDI) and growth in terms of output of the economy. A number of studies have been conducted for analysing the relationship and impact of FDI on growth of the aggregate economy. Foreign direct investment (FDI) in the service industries has increased substantially in recent decades. For developing countries, service industry FDI can intensify domestic competition, or provide access to services domestic producers do not supply. An important question is therefore how developing countries can attract more foreign investment in these sectors. This study used industry-level data on FDI inflows to developing countries, to determine the main host country determinants of FDI in the major service industries. The researcher suggested that reducing the barriers restricting foreign direct investment in services in many developing economies may help accelerate productivity growth in their manufacturing sectors.

***Key words: - FDI, Foreign Direct Investment, Service Sector, Economic growth GDP, Balance of Payment and Make in India***

## **INTRODUCTION**

The attraction of foreign investment is one of the most important strategies prevalent in developing countries for enhancing capital formation, generating employment and thus facilitating growth and development. India is an emerging country and in recent years has attracted a significant share of foreign investment. Enhancement in foreign investment in the last three decades has been accompanied with continuous growth of gross domestic product (GDP) in India. The key issue of this paper revolves around the impact of Foreign Direct Investment (FDI) on the economic performance and development of various sectors of the Indian Economy. FDI refers to an investment made by multi-national enterprises or by a non-resident in an enterprise of recipient (host) countries through which they earn returns and exercise control on.

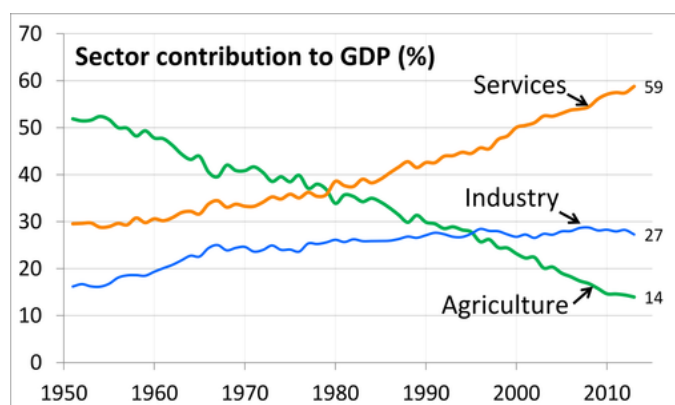
Foreign direct investment is one of the measures of growing economic globalization. Investment has always been an issue for the developing economies such as India. The world has been globalizing and all the countries are liberalizing their policies for welcoming investment from countries which are abundant in capital resources. The countries which are developed are focusing on new markets where there is availability of abundant labors, scope for products, and high profits are achieved. Therefore Foreign Direct Investment (FDI) has become a battle ground in the emerging markets. The objective behind allowing FDI is to complement and supplement domestic investment, for achieving a higher level of economic development and providing opportunities for technological upgradation, as well as access to global managerial skills and practices.

One of the most striking developments during the last two decades is the spectacular growth of FDI in the global economic landscape. This unprecedented growth of global FDI in 1990 around the world make FDI an important and vital component of development strategy in both developed and developing nations and policies

are designed in order to stimulate inward flows. In fact, FDI provides a win – win situation to the host and the home countries. Both countries are directly interested in inviting FDI, because they benefit a lot from such type of investment. The ‘home’ countries want to take the advantage of the vast markets opened by industrial growth. On the other hand the ‘host’ countries want to acquire technological and managerial skills and supplement domestic savings and foreign exchange. Moreover, the paucity of all types of resources viz. financial, capital, entrepreneurship, technological know- how, skills and practices, access to markets- abroad- in their economic development, developing nations accepted FDI as a sole visible panacea for all their scarcities. Further, the integration of global financial markets paves ways to this explosive growth of FDI around the globe

### FDI INFLOWS IN INDIA

Klaus E Meyer (2003)<sup>1</sup> found out that as emerging economies integrate into the global economies international trade and investment will continue to accelerate. MNEs will continue to act as pivotal interface between domestic and international markets and their relative importance may even increase further. The extensive and variety interaction of MNEs with their host societies may tempt policy makers to micro – manage inwards foreign investment and to target their instruments at attracting very specific types of projects. Yet, the potential impact is hard to evaluate ex ante (or even ex post) and it is not clear if policy instruments would be effective in attracting specifically the investors that would generate the desired impact. The study concluded that the first priority should be on enhancing the general institutional framework such as to enhance the efficiency of markets, the effectiveness of the public sector administration and the availability of infrastructure. On that basis, then, carefully designed but flexible schemes of promoting new industries may further enhance the chances of developing internationally competitive business clusters.



Garrick Blalock (2006)<sup>2</sup> investigated how technology that accompanies FDI diffuses in the host economy and finds that multinationals wish to limit technology leakage to domestic rivals, they benefits from deliberate technology transfer to suppliers that may lower input prices or raise input quality. The second essay examines how firm attributes affect innovation by investing the adoption of technology brought with FDI. The findings suggest that the more competent firms have already adopted technologies with high returns and low costs, whereas less competent firms have room to catch up and can still benefit from the adoption of ‘low hanging fruit technology’ the third essay asks whether firms acquire technology though exporting and find strong evidence that firms benefits from a onetime jump in productivity upon entering export markets.

Dexin Yang (2003)<sup>3</sup> presented an interpretation of FDI by Chinese firms. The research is motivated by the phenomenon that compared with foreign investment in China; direct investment from China has so far attracted

<sup>1</sup>Klaus E Meyer (2005): “Foreign Direct investment in Emerging Economies”, [www.emergingmarketsforum.org](http://www.emergingmarketsforum.org)

<sup>2</sup> Garrick Blalock (2006): “Technology adoption from Foreign Direct Investment and Exporting: Evidence from Indonesian Manufacturing”, [www.informaworld.com](http://www.informaworld.com)

<sup>3</sup> Dexin Yang (2003): “Foreign Direct Investment from Developing Countries: A case study of China’s Outward Investment”, [wallaby.vu.edu.au/adtvvut/public/adt](http://wallaby.vu.edu.au/adtvvut/public/adt).



relatively little attention from researchers. Given the difficulties in providing a convincing explanation of the patterns of China's outward FDI by using mainstream theories, this thesis develops a network model of FDI by formalizing network ideas from business analysis for application to economic analysis, and interprets China's outward FDI in terms of network model. This thesis holds that Chinese firms were engaged in FDI for various network benefits. Accordingly, the geographic distribution of China's outward FDI reflected the distribution of network benefits required by Chinese firms and the relevant cost saving effects for containing such benefits. As the functioning of networks relies on elements of market economies, the development of China's outward FDI was affected by the progress of marketization in China.

Balasubramanyam and Sapsford David<sup>4</sup> (2007)<sup>4</sup> explored that India may not require increased FDI because of the structure and composition of India's manufacturing, service sectors and her endowments of human capital. The requirements of managerial and organizational skills of these industries are much lower than that of labour intensive industries such as those in China. Also, India has a large pool of well – Trained engineers and scientists capable of adapting and restructuring imported know – how to suit local factor and product market condition all of these factors promote effective spill overs of technology and know- how from foreign firms to locally own firms. The optimum level of FDI, which generates substantial spill overs, enhances learning on the job, and contributes to the growth of productivity, is likely to be much lower in India than in other developing countries including China. The country may need much larger volumes of FDI than it currently attracts if it were to attain growth rates in excess of 10 per cent per annum. Finally, they conclude that the country is now in a position to unbundle the FDI package effectively and rely on sources other than FDI for its requirements of capital.

Lensik analysed the effect that unpredictable capital flows had on the economy of 60 emerging nations. Researchers made a distinction in their study between the overall capital flows, private capital flows, and official capital flows. An annual uncertainty estimate was produced for each of the three different forms of capital flows. They explained the influence of uncertain capital flows on growth by using the annual uncertainty measurements found in ordinary least square (OLS). They come to the conclusion that both kinds of estimations point to the fact that unpredictable capital flows have a detrimental influence on the financial sector and economy in emerging nations<sup>5</sup>.

Carkovic and Levine came to the conclusion that foreign direct investment (FDI) inflows do not have an independent impact on economic growth. While well-crafted economic policies might help increase foreign direct investment and overall economic development, this conclusion does not square with the results that foreign direct investment (FDI) has a beneficial influence on GDP irrespective of the other factors that determine development<sup>6</sup>. When analysing the effect of foreign direct investment (FDI) on India's economic performance, Sharma used a method known as multiple regression<sup>7</sup>. The research came to the conclusion that foreign direct investment (FDI) does not play a statistically significant part in the process of export promotion in the Indian economy. Chakraborty and Basu investigated the dynamics of foreign direct investment and economic development in the short term. This research found that India's GDP is not Granger induced by FDI. Instead, the direction of causation flows more from GDP to FDI. Additionally, the analysis found that the trade liberalisation policies implemented by the Indian government had some favourable short term influence on the flow of FDI.<sup>8</sup> Chakraborty and NunnenKamp investigated the impact that India's economic reforms and FDI have had on the country. Using Granger Causality and panel co-integration, the research focused on foreign direct investment (FDI) that was unique to a particular sector and its development. According to the findings, the positive benefits of FDI on growth might vary greatly from one industry to another. There was no evidence

<sup>4</sup> Balasubramanyam V.N, Sapsford David (2007): "Does India need a lot more FDI", *Economic and Political Weekly*, pp.1549-1555.

<sup>5</sup> Lensik (1999) *The Impact of Uncertain Capital Flows on Economic Growth in Developing Countries: An Empirical Analysis For the 1999's*, University of Groningen.

<sup>6</sup> Carkovic Levine (2000) *Does Foreign Direct Investment Accelerate Economic Growth?* University of Minnesota Working paper

<sup>7</sup> Sharma (2000) *Export Growth in India: Has FDI Played a Role*, Yale University

<sup>8</sup> Chakraborty, Nunnen Kamp (2006) *Economic Reforms, Foreign Direct Investment and its Economic Effects in India*, Kiel Working Paper. No. 1272

of a causal connection in the instance of the Primary sector. While only a temporary impact of FDI was shown to have on production in the service sector<sup>9</sup>.

The function of the investor nation in the context of foreign investment and economic expansion was investigated by Fortanier.<sup>10</sup> The research indicated that the growth consequences of foreign direct investment (FDI) vary based on the nation of origin, and that the influence of the origin country also changes depending on the characteristics of the host country. Wang looked at logistics FDI and GDP from two different perspectives, including time series and growth rate in China. They came to the empirical conclusion that logistic foreign direct investment (FDI) increased the quality of foreign investment and fostered a shift in the pattern of economic growth in China to assure the development of China's economy. Using the panel data method, Tiwari and Mutscu investigated the connection between economic expansion and foreign direct investment in Asian nations<sup>11</sup>. The research used the years 1986 to 2008 as its sample period, and it contained data from 23 nations. Based on the findings of the study, the authors came to the conclusion that exports and foreign direct investment both contribute to the development process. Agrawal looked at how foreign direct investment impacted the development of the Chinese and Indian economies. They conducted research on the factors that may have contributed to China's impressive level of foreign direct investment (FDI), as well as the lessons that India may take from China about the effective management of FDI<sup>12</sup>.

### **FOREIGN DIRECT INVESTMENT IN INDIA**

The last decade of the 20th century witnessed a drastic increase in foreign direct investment (FDI), accompanied by a marked change in the attitude of most developing countries towards inward investment. FDI flows have grown in importance relative to other forms of international capital flows, and the resulting production has increased as a share of world output. Naturally, the attitude towards foreign capital was one of fears and sufficient, an account of the previous bitter experience draining away of the resources from the country, once better known as the golden birds. Foreign direct investment (FDI) in India has played an important role in the development of the Indian economy during the recession. FDI in India has – in a lot of ways – enabled India to achieve a certain degree of financial stability, growth and development.<sup>13</sup> This money has allowed India to focus on the areas that may have needed economic attention and address various problems that continue to challenge the country. The factors that attracted investment in India are stable economic policies, availability of cheap and quality human resources, and opportunities of new unexplored markets. Mostly FDI are flowing in service sector and manufacturing sector recorded very low investments. The investments in service sector will enhance the benefit of flow of funds to the home country. Presently India is contributing about 17% of world total population but the share of GDP to world GDP is 2%. India has been ranked at the second place in global foreign direct investments in 2010 and will continue to remain among the top five attractive destinations for international investors during 2010-12 period, according to United Nations Conference on Trade and Development (UNCTAD) in a report on world investment prospects titled, 'World Investment Prospects Survey 2009-2012'. According to the fact sheet on foreign direct investment dated October 2010. Mauritius is the highest FDI investment in equity inflows with 42% of the total inflow followed by Singapore, USA, UK and Netherlands with 9%, 7%, 5% and 4% respectively. Service sector is the highest FDI attracting inflows with 21% of the total inflows, followed by computer software and hardware, telecommunication and housing and real estate with 9%, 8%, 7% and 7% inflows respectively. A report released in February 2010 by Leeds University Business School, commissioned by UK Trade & Investment (UKTI), ranks India among the top three countries where British companies can do better business during 2012- 14. According to Ernst and Young's 2010

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<sup>9</sup> Chaudhary Pankaj (2013) Role of Foreign Direct Investment in Service Sector In India, *IJRESS*, 3(3)

<sup>10</sup> Fortanier (2007) Foreign direct investment and host country economic growth: Does the investor's country of origin play a role? *Transnational Corporations*, 16(2).

<sup>11</sup> Wang Yang, Wang Luqian (2010) The Economic Growth Effect of Logistics Industry FDI Analysis, *I Business*, 2(377-81).

<sup>12</sup> Agrawal Gaurav (2011) Impact of FDI on GDP: A Comparative Study of China and India, *International Journal of Business and Management*, 6(10):71-79.

<sup>13</sup> Jayshree Bose (2008), FDI Inflows in India and China – Sectoral analysis, ICFAI University Press

European Attractiveness Survey, India is ranked as the fourth most attractive foreign direct investment destination in 2010.<sup>14</sup>

**Sectoral growth prospects in 2020-21**  
Differential impact of the novel coronavirus on Gross Value Added in 2020-21



Group	Sector	Share 2019-20 (MAE)	Average growth (2017-18, 18-19, 19-20 MAE)	2019-20 MAE	Targeted growth (2020-21)	Contribution to growth (% points)
A	Agriculture, forestry & fishing	14.4	4.0	3.1	2.8	0.40
B	Mining & quarrying	2.6	0.6	2.2	1.1	0.03
C	Manufacturing	17.4	4.4	0.3	1.8	0.31
B	Electricity, gas, water supply & other utility services	2.3	8.0	4.1	2.1	0.05
B	Construction	7.8	4.7	2.4	1.2	0.09
D	Trade, hotels, transport, communication, etc.	19.6	7.0	5.1	1.5	0.30
B	Financial, real estate & professional services	22.3	6.3	6.8	3.4	0.76
A	Public Administration, defence and other services	13.6	9.3	8.2	7.4	1.00
	GVA at Basic Price	100.0	5.9	4.4	2.94	2.94

MAE refers to modified advance estimates that are derived by adjusting downwards, CSO advance estimates dated February 28, 2020

### FDI GROWTH IN INDIAN SERVICES SECTOR:

Most empirical studies conclude that FDI contributes to both factor productivity and income growth in host countries, beyond what domestic investment normally would trigger. It is more difficult, however, to assess the magnitude of this impact, not least because large FDI inflows to developing countries often concur with unusually high growth rates triggered by unrelated factors. Whether, as sometimes asserted, the positive effects of FDI are mitigated by a partial “crowding out” of domestic investment is far from clear. Some researchers have found evidence of crowding out, while others conclude that FDI may actually serve to increase domestic investment. Regardless, even where crowding out does take place, the net effect generally remains beneficial, not least as the replacement tends to result in the release of scarce domestic funds for other investment purposes particularly in the least developed countries, where low educational and technological standards and weak financial markets can hold back the benefits. In the least developed economies, FDI seems to have a somewhat smaller effect on growth, which has been attributed to the presence of “threshold externalities”. Apparently, developing countries need to have reached a certain level of development in education, technology, infrastructure and health before being able to benefit from a foreign presence in their markets. Imperfect and underdeveloped financial markets may also prevent a country from reaping the full benefits of FDI. Weak financial intermediation hits domestic enterprises much harder than it does multinational enterprises (MNEs). In some cases it may lead to a scarcity of financial resources that precludes them from seizing the business opportunities arising from the foreign presence. Foreign investors’ participation in physical infrastructure and in the financial sectors (subject to adequate regulatory frameworks) can help on these two grounds.

### Sector-wise GDP of India

Sector	GVA in 2020-21 (Rupees in Crore)			
	Constant Price	Share %	Current Price	Share %
Services Sector	6,758,989	54.27 %	9,654,259	53.89%
Industry Sector	3,654,362	29.34 %	4,644,385	25.92%
Financial, real estate & prof servs	2,872,815	23.07 %	3,950,786	22.05 %
Trade, hotels, transport, services and communication	2,208,388	17.73 %	2,941,477	16.42 %
Manufacturing	2,107,068	16.92 %	2,585,740	14.43 %
Agriculture Sector	2,040,079	16.38 %	3,616,523	20.19 %
Agriculture, forestry & fishing	2,040,079	16.38 %	3,616,523	20.19 %
Public Administration, defence and other services	1,677,786	13.47 %	2,761,996	15.42 %
Construction	946,396	7.60 %	1,282,048	7.16 %
electricity, gas, water supply & other utility	306,254	2.46 %	484,477	2.70 %

<sup>14</sup>Growth in Employment and Foreign Exchange due to FDI, Indian Current Affairs, December 10, 2010.

services				
Mining & quarrying	294,644	2.37 %	292,120	1.63 %
<b>GVA at basic prices</b>	<b>12,453,430</b>	<b>100 %</b>	<b>17,915,167</b>	<b>100 %</b>

Source: <https://statisticstimes.com/economy/country/india-gdp-sectorwise.php>

The overall benefits of FDI for developing country economies are well documented. Given the appropriate host-country policies and a basic level of development, a preponderance of studies shows that FDI triggers technology spillovers, assists human capital formation, contributes to international trade integration, helps create a more competitive business environment and enhances enterprise development. All of these contribute to higher economic growth, which is the most potent tool for alleviating poverty in developing countries. Moreover, beyond the strictly economic benefits, FDI may help improve environmental and social conditions in the host country by, for example, transferring “cleaner” technologies and leading to more socially responsible corporate policies. The report does not focus solely on the positive effects of FDI for development. It also addresses concerns about potential drawbacks for host economies, economic as well as non-economic. While many of the drawbacks, referred to as “costs” in this report, arguably reflect shortcomings in the domestic policies of host countries, important challenges may nevertheless arise when these shortcomings cannot easily be addressed. Potential drawbacks include a deterioration of the balance of payments as profits are repatriated (albeit often offset by incoming FDI), a lack of positive linkages with local communities, the potentially harmful environmental impact of FDI, especially in the extractive and heavy industries, social disruptions of accelerated commercialisation in less developed countries, and the effects on competition in national markets. Moreover, some host country authorities perceive an increasing dependence on internationally operating enterprises as representing a loss of political sovereignty. Even some expected benefits may prove elusive if, for example, the host economy, in its current state of economic development, is not able to take advantage of the technologies or know-how transferred through FDI. In the least developed economies, FDI seems to have a somewhat smaller effect on growth, which has been attributed to the presence of “threshold externalities”. Apparently, developing countries need to have reached a certain level of development in education, technology, infrastructure and health before being able to benefit from a foreign presence in their markets. Imperfect and underdeveloped financial markets may also prevent a country from reaping the full benefits of FDI. Weak financial intermediation hits domestic enterprises much harder than it does multinational enterprises (MNEs). In some cases it may lead to a scarcity of financial resources that precludes them from seizing the business opportunities arising from the foreign presence. Foreign investors’ participation in physical infrastructure and in the financial sectors (subject to adequate regulatory frameworks) can help on these two grounds.

### **SERVICE SECTOR IN INDIAN ECONOMY**

Agriculture and associated, Industry and Services. Horticulture segment incorporates (Agriculture appropriate and Livestock), Forestry and Logging, Fishing and related exercises. Industry incorporates Manufacturing (Registered and Unregistered), Electricity, Gas, Water supply, and Construction. Administrations part incorporates Trade, fix, inns and cafés, Transport, stockpiling, correspondence and administrations identified with broadcasting, Financial, land and expert administrations, Community, social and individual Services. Administrations segment is the biggest segment of India. The administrations segment in India has remained the most energetic area as far as commitment to national and state earnings, exchange streams, FDI inflows, and business. As per the Economic Survey 2015-2016. The administrations part contributed practically 66.1% of its gross worth included development in 2015-2016 turning into the significant net outside trade worker and the most alluring division for FDI (Foreign Direct Investment) inflows. Notwithstanding the log jam in the post emergency period (2010 - 2014), India demonstrated the quickest administration division development with a CAGR (Compound Annual Growth Rate) of 8.6% pursued by China at 8.4%. In 2014, India’s administrations area development at 10.3% was observably higher than China at 8.0%. Policy recommendations

Policies matter for reaping the full benefits of FDI. Foreign investors are influenced by three broad groups of factors: the expected profitability of individual projects; the ease with which subsidiaries’ operations in a given country can be integrated in the investor’s global strategies; and the overall quality of the host country’s enabling environment. Some important parameters that may limit expected profitability (e.g. local market size and geographical location) are largely outside the influence of policy makers. Moreover, in many cases the

profitability of individual investment projects in developing countries may be at least as high as elsewhere. Conversely, developed economies retain clear advantages in the second and third factors mentioned above, which should induce less advanced economies to undertake policy action to catch up. Important factors such as the host country's infrastructure, its integration into the world trade systems and the availability of relevant national competences are all priority areas.

The success of such an approach will depend on the mechanisms for co-ordinating the use of resources for capacity building and technical assistance. The challenges are so great that no single institution can respond adequately to the needs of developing countries. This implies a need for greater co-operation among investment and aid agencies, and for institutional support to field representatives of aid agencies to engage in a broader range of investment capacity-building activities. Such enhanced responses presuppose that international organisations give investment capacity building a very high priority at both headquarters and the field level.

### **GOVERNMENT MEASURES TO INCREASE FDI IN INDIA**

Apart from being a critical driver of economic growth, Foreign Direct Investment (FDI) has been a major non-debt financial resource for the economic development of India. Foreign companies invest in India to take advantage of the relatively lower wages, special investment privileges like tax exemptions, etc. When foreign investment is being made in India, it also helps the country achieve technical know-how and generate employment. The Indian Government's favourable policy regime and robust business environment has ensured that foreign capital keeps flowing into the country. The Government has taken many initiatives in recent years such as relaxing FDI norms across sectors such as defence, PSU oil refineries, telecom, power exchanges, and stock exchanges, among others.

1. Government schemes like production-linked incentive (PLI) scheme in 2020 for electronics manufacturing, have been notified to attract foreign investments.
2. In 2019, the amendment of FDI Policy 2017 by the government, to permit 100% FDI under automatic route in coal mining activities enhanced FDI inflow.
3. FDI in manufacturing was already under the 100% automatic route, however, in 2019, the government clarified that investments in Indian entities engaged in contract manufacturing is also permitted under the 100% automatic route provided it is undertaken through a legitimate contract.
4. Further, the government permitted 26% FDI in digital sectors. The sector has particularly high return capabilities in India as favourable demographics, substantial mobile and internet penetration, massive consumption along technology uptake provides great market opportunity for a foreign investor.
5. Foreign Investment Facilitation Portal (FIFP) is the online single point interface of the Government of India with investors to facilitate FDI. It is administered by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry.

### **CONCLUSION**

It is widely believed and has been validated theoretically and empirically that FDI impacts growth and vice versa for either specific or group of countries. In the present study an attempt has been made to examine the cause and impact of FDI on growth and vice versa at the sectoral level. The sectors have been chosen considering their contribution to FDI inflows, gross domestic product and exports of the Indian economy. The sectors chosen for the study are services, telecom, chemical, metallurgy, drugs and pharmaceuticals, automobiles and tourism. The study suggests that the Indian economy should focus on attracting FDI in diverse fields unlike the present trend where service sector has been receiving maximum FDI since the last 14 years. It is also suggested that the investment policy should focus more on attracting FDI in the infrastructure sector for attaining high growth levels. Steps should be taken to attract FDI in sectors which have spillover effects like the chemical and metallurgy sector. As export emerges as a significant factor impacting growth, it is suggested that steps should be taken for attracting FDI in export oriented sectors so that higher growth could be achieved for these sectors and thus for the Indian economy at the aggregate level too. This evidence therefore suggested that

reducing the barriers restricting foreign direct investment in services in many developing economies may help accelerate productivity growth in their manufacturing sectors.

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## A STUDY ON START-UP INDIA - A NEW PARADIGM FOR YOUNG ENTREPRENEURS

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### ABSTRACT

India is the second largest populous country in the world with 1.2 billion population strength. To cover up this large population there exist large potentiality of job market in India. But According to the latest Asia Pacific Human Development Report, India is facing severe scarcity of job market; growth in unemployment among young graduates and it will last for next 35 years. According to Labor Ministry data, around one million people enter the workforce in India every month. India is the 2nd largest populated country in the world. Every person in the country will be a job seeker then we cannot think about development because it is impossible for a country to generate so many jobs. In recent years, startups have been receiving increased attention in many parts of the world. In India, the number of startups has increased fast and more support has become available in all dimensions.

**Index Terms** – Entrepreneurship Development, Policy Reforms, Self-employment, Start-ups, and Skill Development

### INTRODUCTION

A new firm that is just starting to expand and is often sponsored by an individual or a small group of persons is an example of a startup enterprise. This kind of business might be characterized as a new business that is in the early phases of operation. It is a relatively new business model that is scalable and founded on technology and invention. The founders of the company design a product or service for which they anticipate demand, either by disrupting current markets or by developing wholly new ones. The only thing that separates a concept from a legitimate business enterprise is the word "startup." There is a brain drain in India because many of our most talented professionals and business owners have left the country after receiving their degrees because they are unable to find opportunities in India. This is despite the fact that Indians are very creative, which is why they are currently dominating the world. Because every mind has an idea, and some ideas are so outstanding that they have the potential to alter the world, the Indian government came up with the Startup India programme in order to put our nation's potential and creative energy to good use inside our own country. The primary objective of Startup India is to welcome any and all original, creative, and original ideas and to provide the utmost support for them. The Honorable Prime Minister of India, Dr. Narendra Modi, made an announcement on August 15, 2015 titled "Start Up India, Stand Up India" with the intention of promoting bank financing for startups and offering incentives to boost entrepreneurship and job creation. This announcement was made in an effort to eliminate the current shortage of jobs on the market. In this research report, a Literature Survey analysis has been performed addressing its difficulties, opportunities, and the finance resources it has available. The secondary data were gathered from a variety of sources, including websites, journals, and stories from newspapers. The growth of a nation's economy is directly correlated to the degree to which it encourages and supports entrepreneurial endeavors. The United States of America, Russia, and Japan are examples of industrialized nations that agree that entrepreneurialism is a driving force behind economic growth in their respective countries. To combat issues such as poverty and joblessness, one's own capacity for entrepreneurial activity is the single most effective tool available to them. It is a generally held belief that in order to expedite

the process of economic growth, a nation, regardless of its size, must have a population of entrepreneurs that are highly driven. A nation's economic growth may be sped up with the help of entrepreneurial activity since this activity can result in the creation of new jobs, an increase in the country's overall income, the growth of rural areas, the advancement of industry and technology, and the promotion of exports.<sup>1</sup>

### **ENTREPRENEURSHIP IN INDIA**

Entrepreneurship has the potential to be a panacea for many of India's most pressing issues, including the country's high unemployment rate and widespread poverty. In light of these advantages, the government of India has implemented a number of programmes and policies over the years in an effort to foster entrepreneurial activity across the country. These include the formulation of industrial policies and five-year plans with a particular emphasis on the expansion of the small-scale sector, the establishment of special economic zones (SEZs), the establishment of entrepreneurial institutions, the organization of entrepreneurial development programmes (EDPs), and a variety of government programmes and schemes for the promotion of entrepreneurial activity. Despite the fact that the government has undertaken a number of initiatives, business owners continue to struggle with issues that hinder the expansion and growth of the entrepreneurial sector in the country. These issues include a dearth of readily available capital, inadequate managerial abilities, inadequate technical expertise, inadequate access to resources and infrastructure, a lack of awareness regarding entrepreneurial programmes and regulatory frameworks, and insufficient market linkages, among other things. According to the findings of a research study that was carried out by NCAER (1993), the most significant challenges that Small Scale Industries (SSIs) face include a deficiency in both training and financing, as well as procedural hassles, administrative hurdles, a lack of infrastructure, and counselling. According to the findings of the paper, there are several obstacles that stand in the way of entrepreneurial endeavors, and one of the most significant of them is a deficiency of seed money. According to the World Bank's rankings, India is placed 142nd out of 189 countries in terms of the ease with which businesses may operate there. Although India is placed 11th in terms of access to capital, according to the EY G20 Entrepreneurship Barometer, India is ranked last when it comes to education and training. China, on the other hand, is ranked third. The government of India recognized the necessity to undertake a new set of policy changes in order to confront these problems. As a result of these reforms, India has seen a remarkable development in recent years. India is now the third biggest country in the world in terms of the number of technology companies that are based there. The number of new businesses starting up in India has increased by forty percent in only one year, leading to the creation of eighty thousand to eighty five thousand employment in 2015.<sup>2</sup>

India is home to around 19400 technology-enabled start-up businesses, 5000 of which were established in only the previous year (2015). As a result, the primary purpose is to conduct research on the consequences of the recent legislative changes of entrepreneurship in India, which have helped transform India into a prime location for the establishment of new businesses.<sup>3</sup>The spirit of enterprise can serve as a driving force behind the expansion of a nation's economy by contributing to the creation of jobs, an increase in the country's overall income, the improvement of rural areas, the acceleration of technological progress, the promotion of exports, and other similar endeavors. In order to foster a culture of innovation and entrepreneurialism across India, the government of that nation has on occasion launched a number of different programmes. However, the research that has been done shows that entrepreneurs encounter a variety of challenges that impede the expansion of the entrepreneurial movement. The government of India recognized the necessity to undertake a new set of policy changes in order to confront these problems. As a result of these reforms, India has seen a remarkable development in recent years. As a result of this, an effort has been made to investigate the ramifications of the recent governmental changes of entrepreneurship in India, which have resulted in India being a hotspot destination for start-ups. According to the findings of the research, the majority of these recent changes are concentrating on skill development initiatives with the intention of fostering the formation of technology-enabled start-ups. Therefore, it is suggested that a proper supervision and monitoring mechanism should be set

<sup>1</sup>Kanoi, "Role of Government in Developing Entrepreneurship in Assam", Ph.D dissertation, Assam University, 2011

<sup>2</sup> Bhargava, "India has 3rd largest base of start-up firms", The Hindu (February 27, 2016).

<sup>3</sup> Desai, Small Scale Industries and Entrepreneurship Development. Mumbai, India: Himalaya Publishing House, 2002



up in order to analyze the outcome and effectiveness of these initiatives on a periodic basis. Additionally, it is suggested that entrepreneurship development at the grassroots level should be targeted in order to provide opportunities for self-employment to sections of the society that are lacking in technology.

**Lack of government-sponsored:** It is essential for the development of an ecosystem to have both physical incubators and a backbone of cutting-edge technology. It is crucial that first-time business owners have access to this, as well as mentors and subject-matter experts who can help them in managing the necessary paperwork for establishing their company and guiding them to the next level of financing for their enterprise..

**Lack of government experience:** Another issue arises at the federal and state levels in terms of providing assistance to tech-based business owners. The federal government has to enlist the cooperation of state governments in order to guarantee that bureaucrats are properly educated to provide full support to young company owners and to ensure that they contribute to the growth of their companies rather than acting as a barrier to expansion. There is a significant pool of talent in smaller towns and villages, which may be used for both fundamental need-based invention and social innovation. As of right now, there is a total absence of ecosystems outside of the major metros. As a result, if the Start-up India and Stand-up India initiatives are going to be successful, it is imperative that the government expand these new initiatives all the way down to the grassroots level. This is not going to be an easy assignment, especially considering the fact that many government employees at the district and block levels still aren't familiar with how to utilize computers, much less how to provide advice to anybody on creative business practices. The government needs to identify officials at the center level and at the state level, in coordination with the governments of the states, and then initiate a comprehensive and ongoing training programme that will prepare these officials to be friendly toward entrepreneurs and actually develop the skills necessary to provide support when it is required.

#### START-UP INDIA - A NEW PARADIGM

During the past few years, the Indian market has seen a surge in interest in newly established businesses known as startups. As a consequence of this, a great number of people all around the country have started their own businesses in their homes. A company that is specifically built to swiftly build a scalable business model is typically referred to as a startup. Examples of startups include small businesses, partnership firms, and organizations. An entrepreneurial enterprise is a freshly established and rapidly growing firm that tries to satisfy a demand in the market place by producing or delivering an innovative product, process, or service. This can be done by either developing the product, offering the service, or developing the process. The expansion, development, and eventual industrialization of various economies throughout the globe have all been significantly influenced by the roles that startups have played and continue to play. The Indian government's "Startup" programme is a flagship effort with the goal of establishing a robust environment for the stimulation of innovative ideas. The startup will be the driving force behind sustained economic development, the creation of large-scale job possibilities, and the reduction of unemployment.

Abhrajit Sarkar (2016)<sup>4</sup> claimed that India, which has the world's second biggest population, has a huge potential for its job market because of this. However, sadly, it is experiencing a serious shortage in both the labour market and the rate of expansion. He went on to say that Start up India is a fantastic action plan to overcome this circumstance since it is capable of encouraging entrepreneurialism as well as the development of new jobs. Shailja Badra and Vivek Sharma, (2016)<sup>5</sup> in their paper titled "Startup India-New Opportunities for the Entrepreneurs" have shed light on the essential problem of making financing more readily available and less expensive, simplifying the process of registering patents, providing research and development credits, and making it simpler to enter and leave the market, etc. Their document has helped new entrepreneurs roll out their

<sup>4</sup>Abhrajit Sarkar Startup India- A New Paradigm for Young Entrepreneurs (2016) Available at SSRN:

<https://ssrn.com/abstract=2835322>

<sup>5</sup>Dr. Shailja Badra1 , Vivek Sharma (2016), Startup India- New Opportunities For The Entrepreneur, International Journal of Science Technology and Management, Vol.5(2),pp.526-528

businesses successfully. Madhura Wagh, (2016)<sup>6</sup> stated that becoming an entrepreneur has always been seen as one of the least attractive professional paths available in India. The most significant limiting factors include government policies and programmes, education and training, and so on; however, the recent initiative taken by the government to build a strong eco system for nurturing innovation and startup businesses in the country will derive sustainable growth and generate large-scale employment opportunities. According to the findings of a research entitled "Startups India-an Overview," which was provided by Grant Thornton and ASSOCHAM, the concept of "start up India" is likely to be the next major focus for economic growth in India. From a total of 10000 in 2015, it is anticipated that there would be around 100,000 new startups by the year 2025. This will also assist to provide job prospects on a large basis, which is quite beneficial.

**Entrepreneur excite more than ideas.** The partners and customers provide substantial domain experience as well as valuable business insights from their prior forays into entrepreneurship. Working with them has consistently shown to be a valuable educational opportunity, even throughout the process of jointly developing new business ideas.

**Match passion with process:** This may be a very helpful step in matching the enthusiasm and passion of the entrepreneur with the method, goals, and discipline necessary to put ideas into action. The focus of Startup India is on implementation rather than ideas. It is a procedure that completely changes the game.

**Stay frugal, stay in the field:** It will provide the possibility to collaborate with investees in the areas in which they operate. One is given the opportunity to immerse themselves in the marketplaces of the models that they have helped develop. Because we will be on location, we will be able to gain a comprehensive understanding of the ecosystem that our enterprises will exist within. Because of this, we are able to forecast the volatility of the market. As a result, we initiate business endeavors that are congruent with the core values of our partners and the requirements of the markets they serve.

**Literate to succeed:** It teaches those it invests in to pay attention to the needs of the consumers, to validate their hypotheses, and to maintain a concentration on the metrics. It makes continuous changes to its business strategies in order to keep them current and relevant. We reduce the amount of time spent experimenting and learning the hard way by regularly checking our assumptions against reality. This guarantees that new businesses have a greater chance of succeeding when they first get off the ground.

**Cross pollinate:** In addition to this, it fosters learning and linkages between mature-stage models and early-stage initiatives (such as the ones that we create) (that we accelerate). This paves the way for fruitful joint ventures between the two. The company's clients and investees are a continual source of fresh knowledge, networks, and linkages that are added to the company's ecosystem. Due to the fact that it is spreading virally, it may now serve as a better linker and connection for social entrepreneurs.

**Risks and Challenges:** There is a large number of startups already operating in the globe, and an even larger number of new startups are being established each year at a rate that is quick by any measure. Now, the issue that has to be answered is how many new businesses are able to weather the turbulent seas of change that have fundamentally altered the characteristics of today's startups..

**Fierce Competition:** The world of business is known for its cutthroat competition. The giants are always engaged in a state of cutthroat rivalry with one another. One of the most significant obstacles that new businesses must overcome in order to be successful is competition. Additionally, if you are starting a business online, you will face increased levels of competition. Because there is no room for error in such a competitive industry, new businesses are forced to remain on their toes at all times. Businesses that sell to consumers as well as those that sell to other businesses almost always feel the pressure of the intense competition. Startup companies have to play aggressively and punch above their weight in order to survive in this competitive business environment that encompasses both traditional and online businesses. This is the only way for them to gain the much-needed recognition among the clusters of ever more challenging and expanding businesses.

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<sup>6</sup>Madhura Wagh, (2016) a study of working of entrepreneurship development, International Journal of Management (IJM), Volume 7, Issue 7, pp.433-441

**Unrealistic Expectations:** Success does not come alone. It comes with it a set of expectations. The vast majority of the time, these anticipations may appear realistic; but, in the truest sense of the word, they are nothing more than unrealistic. The same idea applies to new businesses in their early stages. Following a period of rapid success, entrepreneurs often make the mistake of setting "unrealistic expectations" for their company. Keep in mind that accomplishment is fleeting, whereas expectations can never be satisfied. Here is where new businesses have a responsibility to explain what the actual expectations are. The concept of sustainability should be front and center. In addition, maintaining sustainability calls for ongoing work. Startup companies need to have high but managed expectations in order to flourish in the business world's cutthroat environment. These startups also need to keep an eye on the resources that are accessible to them, the degree of the growth potential, and other market considerations as well.

**Hiring Suitable Candidates:** The degree to which the members of the team work together effectively is one of the most essential aspects that helps to create the organizational culture of a new firm. Individuals on a team should have comparable skills and a singular concentration on the task at hand. In order to cultivate a highly effective team culture, businesses in general — and startups in particular — need to employ individuals who are suited for the roles they have available. There is a sizable population of ambitious people that are now accessible. It is a very difficult assignment to select a good applicant who matches the position well enough to be considered for it. It is one of the most significant obstacles that new firms must overcome in this day and age of digital technology.

**Partnership Decision:** Collaboration is the bedrock of any successful endeavor. And the same line of reasoning applies to new business ventures. In this ever-expanding and ever-changing digital era, where enterprises need to fight hard for their existence, startups also find it difficult to find trustworthy partners. This is especially true in the context of the digital economy. It is a very significant obstacle for new businesses to face in the modern day. And with regard to IT companies, the stakes that are involved in partnerships are significantly increased for them. The choice to enter into a partnership yields significant benefits for startups, but these businesses need to give careful consideration to a range of issues before deciding whether or not to work together with another firm operating within the same ecosystem. Startup companies should search for organizations that have a solid position in the market and a high reputation among the industry giants if they want to get the most out of a relationship. This will allow them to maximise the benefits they receive from the alliance.

**Financial Management:** It is a well-known reality that small businesses just getting off the ground have a significant reliance on financial backing from so-called investors. When there is a sudden rush of cash, it may be especially challenging for small businesses, and especially for startups, to correctly manage their finances; as a result, they can struggle to keep up with the demand and eventually fail. In order to deal with a scenario like this one, start-up companies need to play a safe and cautious hand, which means they need to keep all of their cards close to their chests. It is possible that enlisting the assistance of a well-respected financial consulting firm might be of great assistance in the management of the financial issues that are currently confronting new enterprises.

**Cyber Security:** The age of digital technology is here. In addition, in order for tiny companies to be successful in this day and age, particularly the ones that operate online, they need to be extremely nimble in order to combat the so-called risks posed by internet security. Hackers are present everywhere, and they will take advantage of any vulnerability that may exist within the computer systems that are established in a new company. Over the course of the previous several years, there has been a significant rise in the number of cybercrimes. Along with that, the proportion will continue to climb in the years to come. There are risks to the internet security of startups that engage in online activity. It doesn't matter if someone has unlawful access to a startup's sensitive information, personnel data, bank account information, or any other associated information that is considered crucial for a tech startup's continued existence; they are in danger.

In order to protect the very critical data that is stored online, startups need to implement security measures that are both resilient and of a military-grade standard. A connection to a virtual private network (VPN) serves the purpose of protecting the information of a startup as well as the employee records of that startup. This is accomplished by providing the much-needed encryption and data security to the employees of the startup, which in turn restricts unauthorized access to organizational data that is transmitted over the web. Gaining the trust of

one's clientele is one of the most difficult tasks that companies in general, and new enterprises in particular, confront in the modern world. Startups have the ability to expand and make progress toward excellence when they have a client base that is extremely happy and loyal. Customers are the true driving factor behind the success of a new business. It's possible for digital startups to acquire an advantage over more established companies because to the strength of word-of-mouth marketing and their presence on social media. Startups need to work hard to implement a customer-centric working philosophy in order to win their customers' trust and loyalty. This will enable them to succeed in their pursuit of attaining the height of sustainable growth and progress they desire to achieve in this tech-savvy and challenging business world.

## **RECENT POLICY REFORMS FOR ENTREPRENEURSHIP DEVELOPMENT**

**Entrepreneurship Development Scheme:** MSDE is actively working on developing it further. The programme is being designed with a variety of components in mind, such as a curriculum for teaching entrepreneurship, a networking platform that is web and mobile based, a network of entrepreneurship hubs (e-hubs), international linkages, a national entrepreneurship day, and the promotion of entrepreneurship among women and minority sections, social entrepreneurship, and other such topics.

**Pradhan Mantri Kaushal Vikas Yojana (PMKVY):** It is the main outcome-based skill training initiative of the MSDE, and its goal is to provide 24 lakh young people in India with meaningful, industry-relevant training based on their skills. The purpose of this skill certification and incentive plan is to make it possible for and mobilize a large number of young people in India to participate in outcome-based skill training, with the end goal of being employable and securing one's financial future. As of the 3rd of March in 2016, there were 1599895 persons registered in the PMKVY programme, 956871 of whom had successfully finished their trainings, and 290002 of whom had been awarded certifications. Those who have been certified under PMKVY, a programme that will authenticate skill certification, will also receive the skill card.

**Make in India:** It is an initiative of the Government of India that was launched on September 25th, 2014 with the intention of encouraging both domestic and international businesses to produce their products within the borders of India. The primary goal of the programme is to target the development of new jobs and the improvement of existing workers' skills in 25 different areas of the economy. Additionally, the project intends to maintain high quality standards while reducing its negative effects on the environment. The project has as its primary goal the recruitment of financial and technological investment in India.

**Start-Up India' Initiative:** Its purpose is to instil an entrepreneurial spirit in young people living in India. The initiative known as "Start-up India: Stand up India" aims to encourage bank funding for new businesses and provide incentives to foster entrepreneurship and the production of new jobs. The Prime Minister of India, Narendra Modi, has stated that "each of the 1.25 lakh bank branches should support at least one Dalit or Adivasi entrepreneur and at least one women entrepreneur." This programme will bring a new dimension to the concept of entrepreneurship and will assist in the establishment of a network of start-up companies across the nation.

**National Skill Development Agency (NSDA):** is an independent group that coordinates and harmonizes the activities of the government and the private sector to create skills in order to accomplish the skilling objectives of the 12th Plan and beyond, as well as to seek to bridge social, regional, gender, and economic gaps. It coordinates the activities of the State Skill Development Missions as the nodal agency. The primary responsibilities of the National Skill Development Agency (NSDA) include conducting an analysis of the various skill development programmes that are already in place, establishing and maintaining a national data base that is dedicated to skills, and seeing to it that the educational requirements of disadvantaged and marginalized groups are met, among other things.

The expansion, development, and eventual industrialization of various economies throughout the globe have all been significantly influenced by the roles that startups have played and continue to play. The Indian government's "Startup" programme is a flagship effort with the goal of establishing a robust environment for the stimulation of innovative ideas. The startup will be the driving force behind sustained economic development, the creation of large-scale job possibilities, and the reduction of unemployment. The capacity to take calculated risks and demonstrate an understanding of the practical and financial possibilities of a prospective firm are both

required in order to get investment for a new venture. A significant barrier in the modern business world is the inability to get specialized start-up capital investment without providing guarantors or collateral. In addition, the limits that are placed on public sector banks as a result of the rules that are in place are the primary cause of their inability to take risks. These need to be addressed, and banks should be allowed the discretion to finance a plan after it has been authorized by an expert panel, either inside the bank itself or by an outside organization that is both competent and approved.

The majority of fledgling businesses are doomed to fail for one of many reasons: inadequate capital, insufficient market acceptability, poor timing of market entrance, inadequate mentorship, or a combination of these factors. Regardless of the circumstances, the proportion of unsuccessful attempts to successful ones is skewed. Nearly every great entrepreneur has endured a string of setbacks before finally finding success in their endeavors. As a result, the government should take into account the possibility of failure and work to guarantee that business owners are not punished for failure but rather encouraged to try again. As soon as a plan has been reviewed and found to be acceptable, simple finance on favourable terms has to be made available depending on the amount of money needed to start the firm and grow it in accordance with expectations.

## CONCLUSION

The procedure is extremely difficult, time-consuming, and life-changing all at once. Scary business milestones are a part of the path that everyone must travel, regardless of the field they work in or the function they play in a company. There are many different things to be concerned with, including business finances, the protection of personal and business assets, business legality, the payment of taxes, the maintenance of records, and the management of employees. All of these challenges, however, are simply surmountable provided we have a clear understanding of what we are doing and how we can reduce the risks associated., detailed records analyzing our competitors, understanding the risks and rewards, showing some creativity, remaining focused, making a few sacrifices when necessary, providing our best services to the customers, and being consistent at all times, starting our own business could turn out to be the best decision we ever make in our lives. Not only will the time spent talking to potential clients, researching industry knowledge, and collaborating with end users strengthen our business communications abilities, but it will also create a clear image of the sweet spot for our company. Because having a clear picture of what success entails is the first step toward obtaining it, and any entrepreneur who has been successful in the past knows this to be true. Therefore, in order for startups to be able to face and overcome the so-called problems that come with operating in a harsh business environment, they need to be resilient and concentrate on maintaining their integrity in spite of any and all obstacles.

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## **ENHANCING ENTREPRENEURSHIP OVER SKILL DEVELOPMENT: AN INITIATIVE PROGRAMME IN INDIA**

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### **ABSTRACT**

Skilled persons and skilled labours are more important in the development of entrepreneurship. Globalization, competition and knowledge have intensified the need for highly skilled workforce in both the developing and developed nations as it enables them to accelerate their growth rate towards higher trajectory. For India, skill development is critical from both socio-economic and demographic point of view. The aim of the paper is to analyze initiative programmes needed to enhance skill development of the entrepreneurs. This is an empirical study carried out with 200 samples in Chennai city. The sample respondents are selected using survey method. The businessmen in study area are selected as sample respondents to know the need of initiative programmes to develop their skills. The collected primary data have been analyzed using SPSS software. The author concluded that the ministry is actively co-designing new policies and curricula to promote innovation and entrepreneurship in technical and professional education in India.

**Keywords:** Skill India, Skills Capacity, Skill development and Initiatives

### **INTRODUCTION**

Today's youngsters all around the world are confronted with significant obstacles in terms of their skills and employment opportunities, issues that are fundamentally distinct from those their parents experienced. As a result of the globalization of the economy, the level of competition between businesses and industries in both developing and developed nations has increased. As a result, workers in these countries are required to have higher levels of expertise to enable them to innovate, improve the quality of their products and services, and increase the efficiency of their production processes, or even to the point where they improve the entire value chain process. A deeper depth of knowledge and skills in the production, application, and dissemination of technologies is required to keep up with the rapid pace of technological progress. As a result, the nature, contents, and types of abilities that are required in the sector have all evolved as a result of all these changes. As a direct consequence of this, the majority of nations have lately taken steps to modernize their educational systems in order to increase the level of expertise possessed by their labour forces. The difficulties are compounded for emerging nations like India that have, for a considerable amount of time, been hampered by a scarcity of trained labourers. But in today's world, businesses and producers from poor nations are becoming more and more integrated into global value chains. As a result, it is necessary for them to conform to global standards of both quality and productivity. Because of this, it is necessary for workers to possess higher degrees of expertise. In addition, many nations today require an increase in the number of skilled workers in order to compete in attracting foreign direct investment (FDI), which is a viable strategy for bringing advanced technologies to a nation's domestic industries, expanding that nation's foreign trade, and thereby boosting industrial and economic development; the availability of skilled workforce in a nation, as well as the stock of skilled workforce in a nation, is a key determinant for multinational firms considering investments in that nation.

## **ENTREPRENEURSHIP SKILLS REQUIRED TO OVERCOME BARRIERS TO GROWTH**

There is still a lot of controversy surrounding the question of whether or not entrepreneurs are born or formed. While it is common knowledge that some people are just "born" to be entrepreneurs, there are many academics who are of the opinion that entrepreneurship is a talent that can be acquired via practice and experience. Drucker (1985) asserted that entrepreneurship is a discipline and that "much of what you hear about entrepreneurship is all incorrect. An older conception of entrepreneurship placed a heavy emphasis on the process of starting a new venture, and as a result, it was hypothesized that one may acquire the knowledge and abilities necessary to succeed in this endeavour by participating in educational opportunities. More recently, the concept of entrepreneurship has begun to be seen as a mode of thinking and behaving that is applicable to many aspects of society as well as the economy. Because of this new understanding of entrepreneurship, training must now take on a different form. The educational methodology that is required in today's world is one that assists in the development of an individual's mindset, behaviour, skills, and capabilities, and that can be applied to create value in a variety of contexts and environments, including the public sector, charitable organizations, universities, and social enterprises, as well as corporate organizations and new business start-ups. Lichtenstein and Lyons (2001), it is important for service providers to recognize that entrepreneurs come to entrepreneurship with varying levels of skills. As a result, each entrepreneur needs a unique "game plan" for developing his or her skills. Lichtenstein and Lyons argued that it is important for service providers to recognize that entrepreneurs come to entrepreneurship with varying levels of skills.

In addition to this, they indicated that the development of skills is a qualitative shift rather than a quantitative one, which necessitates some amount of transformation on the side of the business owner. When taking into account all of the research that has been conducted and published on the topic of the skill sets necessary to be an entrepreneur, Figure 3 captures a significant portion of the substance of what many researchers have highlighted as critical needs. These skill-sets may be divided up into three categories: management skills, technical skills, and entrepreneurship skills. The amount of education and training that will be necessary to acquire each of these talents will, to a large extent, be highly reliant on the levels of human capital that individuals may already possess before to beginning their journey as entrepreneurs. Indeed, it has been suggested that cultivating these skill sets would result in the creation of ambitious people who should be able to realize their full potential and craft their own destiny, regardless of whether or not they want to pursue a career in business ownership (NESTA, 2008).

The speed at which the world moves is accelerating. In the approaching years, India will have an increased demand for college graduates with a very high level of expertise. India needs to increase its investment in knowledge and people as well as provide them with the relevant skills, particularly entrepreneurial, creative, and leadership qualities to foster the creation of new ideas and transform them into innovative products, services, and jobs. In order to create an environment that is more competitive and sustainable, India needs to increase its investment in knowledge and people as well as provide them with the relevant skills. Skill Development and Entrepreneurship is all about enhancing the capacities of would-be business owners by providing them with the tools necessary to make better decisions, which in turn leads to increased levels of both production and efficiency. It is about developing students' abilities to recognize and adapt to shifting social norms and expectations.

## **ROLE OF THE GOVERNMENT**

In addition, the government is making progress in the process of drafting a policy regarding the issue. The previous year saw the establishment of a brand new ministry known as the "Ministry of Skills Development and Entrepreneurship." This is the first known instance of a distinct ministry being established for the purpose of professional development. Historically, the cultivation of entrepreneurial talent and skills across the country was the responsibility of a wide range of government ministries and organizations. During the time of the previous administration, the Ministry of Micro, Small and Medium Enterprises (MSME) was responsible for issues pertaining to entrepreneurship, while the National Skill Development Agency (NSDA) was in charge of matters pertaining to skill development. The new ministry will be responsible for ensuring that India reaches its goal of training and retraining an additional 500 million people by the year 2022. At the same time, it intends to establish an ecosystem with the goal of getting rid of bottlenecks, which will facilitate investment and company

activities and inspire entrepreneurial endeavours. In addition, the small moves that were done by the government that came before this one are now receiving the necessary impetus. The new government intends to implement a variety of standards that will offer assistance in the process of strengthening the institutional structures that are necessary for the efficient coordination of skill training and the development of a common database of trainees that will enable the flexibility necessary to meet the needs of various regions of the country or different socioeconomic groups. The recognition of Indian education in the global arena, as well as the capability of Indian players to compete worldwide, would both benefit enormously from this development. It is also anticipated that governments from other countries would be positive about establishing skill centers and universities to participate in the production of material, design of curriculum, and delivery of training.

## **GROWTH**

The contribution of the United States to the global GDP is believed to fall from 21 percent to 18 percent between now and the year 2025, but the contribution of India to the global GDP is anticipated to rise from 6 percent to 11 percent over the course of the same time period. This points towards the possibility of India being the third largest economy in the world, behind the United States and China. The evaluation is reinforced by the significant progress that has been made across all of India's sectors. Every country strives for maximal economic growth, the achievement of which is mostly dependent on its human resources. But human resource alone cannot construct economic progress, there must be energetic entrepreneurs. As a result, there is a huge rise in demand for people in managerial and entrepreneurial roles. Originality-driven entrepreneurship has enormous development potential over the next several years and has the ability to potentially generate employment opportunities for young people. An entrepreneur who is successful will have the mental capacity, defined objectives, human relations ability, effective communication ability, technical knowledge, decision making capability, and, last but not least, the self-confidence to pull off his or her ambitions. The expansion of learning organizations, the cultivation of knowledge cultures, the improvement of learning processes, and the formation of learning communities will be the primary sources of difficulty. Address a number of different theories, areas of study, and areas of practice for each problem. Learning, both organizational and individual, is at the core of the competitive strategy and provides the only sustained source of spirited value, which is especially important during times of rapid environmental change.

## **IMPORTANCE OF ENTREPRENEURSHIP SKILLS TRAINING**

It is impossible to discount the significance of having such training. We are fortunate to have a number of polytechnics and it is they who have been producing skilled workforce for a considerable amount of time now. Additionally, companies typically maintain their own in-house training facilities. However, there is a significant shortage of labourers with such levels of expertise. This need is primarily satisfied at the moment by workers who have not had any kind of official training in the trades but have gained some practical knowledge by working alongside people who are actually skilled in the trades. There is no legislation that prevents a person from pursuing any trade, even if they do not have the appropriate certification to do so. As a consequence, the provided service is of poor quality and is not always reliable. In addition, as a result of the quickening rate of technological advancement, the majority of Indian workers believe that it is of the utmost importance to stay up with these changes. Consequently, the development of talents is of the utmost importance; the list of skills required for a huge nation such as ours is extensive. The enormous number of people that need to be educated is a difficulty that must be overcome. In addition to this, we require trainers who are adequately qualified, as well as the infrastructure and resources necessary to conduct training. In addition to this, it is essential to educate and inspire the people who will benefit from this initiative. Given the breadth of the programme, it will take at least a decade to clear the queue of people who need to be taught before it can be considered complete. A law that makes it obligatory for workers to be certified in the trade that they plan to perform is an urgently required piece of legislation in the current political climate.

Lichtenstein and Lyons (2001)<sup>1</sup>, explored that service providers to acknowledge the fact that entrepreneurs enter the business world with varying degrees of expertise, and as a result, each entrepreneur needs a unique "game

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<sup>1</sup> Lichtenstein, G.A. and Lyons, T.S. (2001) - The Entrepreneurial Development System: Transforming Business Talent and Community Economies - Economic Development Quarterly, Vol. 15, pp 3-20



plan" to grow his or her talents. In addition, Haynie et al. (2003)<sup>2</sup> have criticized entrepreneurship training programmes for being too focused on the functional aspects of business management rather than helping to develop the broader capabilities of entrepreneurs to be innovative, manage the changing business environment, and be creative in developing and moving forward with their businesses. This criticism is in response to the fact that entrepreneurship training have been criticized for focusing too heavily on the functional aspects of business management. However, Henry et al. argued that the functional aspects of business management are in fact the areas that participants generally find to be the most beneficial. This is despite the fact that the wisdom of basing entrepreneurship education on these aspects of business management has been called into question.

In addition, the development of managerial and technical skills is unquestionably easier to "teach" and develop into a structured programme, whereas the development of entrepreneurial skills is, to some extent, dependent on personal characteristics and may be more difficult to engender in a group programme. At a more macro level, the benefits of such programmes would appear to be that entrepreneurs become better equipped with knowledge about running a business and, perhaps more importantly, gain an insight into the areas where they lack knowledge or expertise, areas where they might need to recruit external assistance. In other words, they become more aware of the areas in which they may need to bring in outside help. Because the trainers will not "teach" participants what to do throughout the programmes, but rather will work to equip them with the knowledge necessary to enable them to make better judgments, the programmes may also assist company owners in avoiding basic errors in the management of their companies.

Any conversation on the cultivation of entrepreneurial talents in order to expand a firm absolutely has to take place within this framework. There has been a lot of discussion around the subject of how one can best create and deliver entrepreneurship training courses that are especially customized for a certain kind of audience for a very long time. Entrepreneurship training programme have been criticized by authors such as Henry et al (2003) for being too focused on the functional aspects of business management rather than helping to develop the broader capabilities of entrepreneurs to be innovative, manage their changing business environments, and to be creative in developing and taking their businesses forward. These authors believe that entrepreneurship training programmes should help to develop these broader capabilities of entrepreneurs. However, Henry et al. argued that the functional aspects of business management are in fact the areas that participants generally find to be the most beneficial. This is despite the fact that the wisdom of basing entrepreneurship education training on these aspects of business management has been called into question. In addition, the development of managerial and technical skills is unquestionably easier to "teach" and develop into a structured programme, whereas the development of entrepreneurial skills is, to some extent, dependent on personal characteristics and may be more difficult to engender in a group programme.

At a more macro level, the benefits of such programmes would appear to be that entrepreneurs become better equipped with knowledge about running a business and, perhaps more importantly, gain an insight into the areas where they lack knowledge or expertise, areas where they might need to recruit external assistance. In other words, they become more aware of the areas in which they may need to bring in outside help. Because the trainers in the programmes will not "teach" participants what to do, but rather will work to equip them with the skills necessary to enable them to make better decisions, the programmes may also assist company owners in avoiding basic errors in the management of their companies. Moran and Cooney (2004)<sup>3</sup> conducted research in which they examined a customized entrepreneurship programme in which participants were required to cover a wide array of topics within a group that consisted of people from various backgrounds and with varying degrees of competence. According to the findings of the analysis of the programme, it was challenging to find the level of content that was appropriate for everyone in the group. The study also found that it can be quite challenging to find a balance between individual mentoring and group support on programmes that are tailored to meet individual needs, especially when there are many different kinds of businesses represented in any given group. Some people thought that the programme was too "generic," and they thought that it would have been helpful if

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<sup>2</sup>Haynie, J. M., Shepherd, D. A., Mosakowski, E. and Earley, P. C. (2010) - A Situated Metacognitive Model of the Entrepreneurial Mindset - Journal of Business Venturing, Vol. 25, pp 217-29

<sup>3</sup> Moran, M.T. and Cooney, T.M. (2004) – An Evaluation of Start Your Own Business Programmes: How Effective Are They In Enterprise Creation and What Are Their Long Term Benefits? – Irish Academy of Management Conference.

the speakers had more knowledge of the participants in advance so that they could tailor their delivery accordingly and address some of the specific issues that were present within the groups.

### OBJECTIVE OF THE STUDY

The aim of the paper is to analyze initiative programmes needed to enhance skill development of the entrepreneurs.

### RESEARCH METHODOLOGY

This is an empirical study carried out with 200 samples in Chennai city. The sample respondents are selected using survey method. The businessmen in study area are selected as sample respondents to know the need of initiative programmes to develop their skills. The collected primary data have been analyzed using SPSS software.

### FINDINGS

#### i) Skill development

The different skills required for the entrepreneurs are needed to be improved by the entrepreneurs. This paper is study the entrepreneurship skills, technical skills and managerial skills in detail. They are discussed as below.

#### 1. Entrepreneurship skill

The entrepreneurial skills are special skills not possessed by the others and it shows their uniqueness and successful life. They need to have taken risk, quality of innovative thoughts, change oriented, persistence and inner discipline. The respondents are asked to give their opinion about the entrepreneurship skills required for their business in a 5 point Likert scale. The result is given below.

**Table 1: Managerial skills**

Entrepreneurship skills	Mean	Std. Deviation
Ability to take risk	3.20	1.296
Innovative	3.19	1.075
Change oriented	3.09	1.090
Persistence	3.18	1.272
Inner discipline	3.03	1.419

The respondents have opined that the risk taking ability is most essential for the entrepreneurs (3.20). Innovative thoughts (3.19) have also been identified as important skill for the entrepreneurs as it gives better and attractive efforts for the success of the business. Moreover, the persistence (3.18) is required for the entrepreneurs as they always face difficult situation and no certainty in business. Change oriented mind set (3.09) and inner discipline (3.03) are ranked fourth and fifth among the managerial skills.

#### 2. Technical skill

An entrepreneur should possess the technical skill related to their business. It gives them good confidence and knowledge about the business. The technical skill related design, research and development, communication, operation about their industry and environmental observation are components of the technical skills. The result from the respondents is given below.

**Table 2: Technical skills**

Technical skill	Mean	Std. Deviation
Design	3.21	1.262
R and D	3.19	1.126
Communication	3.25	1.164
Operations specific industry	3.37	1.323
Environmental observation	3.09	1.218

The above table shows that the respondents feel that knowledge and technical skill related to operations of their business (3.37) is essential. Communication (3.25) is important parameter for the business development. The

respondents give importance to the communication also. The product and business design (3.21) is also important part of the technical skill of the entrepreneurs. The research and development (3.19) helps to improve the business to the next level. Environment observation and the cautiousness is a responsibility of the entrepreneurs (3.09).

**3. Managerial skills**

The management improves the efficiency of the business and its result. The management has its effect on each part of the business. Managerial skills in finance, marketing, decision making, planning, motivation and selling are considered as managerial skills in the study.

**Table 3: Managerial skills**

Managerial skill	Mean	Std. Deviation
Finance	4.18	1.111
Marketing	3.59	0.887
Decision making	3.37	0.841
Planning	3.18	1.121
Motivation	2.81	1.443
Selling	2.95	1.198

The Table 3 indicates that the respondents feel that initiative programmes are need much for the mobilization and efficient management of the finance for the entrepreneurs (4.18). They also give importance to programmes for marketing skills (3.59) as it decides the success of the business. Decision making skill (3.37) is very essential for the successful entrepreneurs to tackle their difficult situation. Planning (3.18) has also been identified as a key function of the management for smooth and efficient running of their business.

**ii) Overall comparison**

The major classifications of the skills, i.e., entrepreneurial, technical and managerial skills, are calculated from the different initiatives required. As number of skills in each category differs, the average score is calculated for comparison. They are given below.

**Table 4: Overall comparison**

Skills	Mean	Std. Deviation
Average entrepreneurial skill	3.1370	0.87640
Average technical skill	3.2210	0.91276
Average managerial skill	3.3483	0.68834

The average score of the managerial skill (3.3483) is higher than average score of entrepreneurial skill (3.1370) and technical skills (3.2210). The standard deviation of the managerial is also lesser (0.68834). It is concluded from the findings that the sample respondents give importance to skill initiative programmes for the improvement of managerial skills.

**iii) Relationship between the different skills and the age level**

It is an attempt to know the opinion of the respondents towards different skill initiative programmes based on the age group. The respondents are group into young age (less than 30 years), middle age group (from 30 to 50 years) and old age group (more than 50 years). The difference in their opinion across their age group is compared with the help of ONE WAY ANOVA. The result is given below.

**Table 5: Difference in the skill level according to the age**

Skills		N	Mean	Std. Deviation	F	Sig.
Average entrepreneurial skill	Young	67	3.0955	0.79113	0.146	0.864
	Middle	91	3.1714	0.91631		
	Old	42	3.1286	0.93373		
	Total	200	3.1370	0.87640		
Average technical skill	Young	67	3.2687	0.86378	0.314	0.731
	Middle	91	3.1648	0.93884		

	Old	42	3.2667	0.94602		
	Total	200	3.2210	0.91276		
Average managerial skill	Young	67	3.3259	0.60680	0.055	0.946
	Middle	91	3.3571	0.67840		
	Old	42	3.3651	0.83393		
	Total	200	3.3483	0.68834		

The Table 5 reveals that 67 respondents are from the young age group, 91 from middle age group and 42 belong to the old age group. The mean of the young age group respondents is high (3.2687) for the technical skills, the mean of the middle age group (3.1714) for the entrepreneurial skills and the mean of the old age group respondents (3.3651) for the managerial skills are higher. The result from the ONE WAY ANOVA shows that the calculated value of F for entrepreneurial skills (0.146), technical skills (0.314) and managerial skills (0.055) are insignificant. The values of significance are more than 0.05. It is concluded from the study that the young entrepreneurs give importance to the initiative programmes for the technical skills, middle age group respondents give to the entrepreneurship skills and the old age group respondents give more weightage to the managerial skills. But the difference in their opinions is not significant.

## CONCLUSION

The core competencies of an entrepreneur are attitudes (soft skills) like persistence, networking, and self-assurance, as well as enabling capabilities (hard skills) like fundamental startup knowledge, business planning, financial literacy, and managerial abilities. The development of these entrepreneurial abilities and skills, which are transferrable and helpful in many employment contexts, is the main focus of effective entrepreneurship education policies and programmes. The goal is to foster an entrepreneurial culture in society as well as increase people's ability and desire to start their own businesses. The author concluded that the ministry is actively co-designing new policies and curricula to promote innovation and entrepreneurship in technical and professional education in India.

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## AN EMPIRICAL STUDY ON INVESTMENT AVENUES FOR TEACHING PROFESSIONALS

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### ABSTRACT

The saving and investment of people of India are playing important role for India's development. The financial awareness has in recent years gained the interest of various groups including governments, bankers, employers, employees, teachers etc. The importance of improving financial literacy, education, awareness has increased due to factors including the development of new financial products, the complexity of financial markets and the changes in economic, political and demographic factors. The objectives for making investments are many and differ from individual to individual. The competency of a teacher is a major determinant of the quality of the education. Teacher's professional advancement is decided by many factors. This chapter is to find the preferred investment avenues by the teaching professionals in Coimbatore city. This is an empirical study carried out in Coimbatore city. Its aim is to focus on the teaching professionals to know their preferred investment avenues. Hence, purposive sampling method has been applied to select the sample respondents from the teaching professionals. 250 teachers from school and colleges have been selected. The data have been collected using Google Forms and analysed with the simple percentage and Hendry Garret Ranking technique.

**Keywords:** Saving, investment, financial awareness, financial products, financial markets and Investment Avenues.

### INTRODUCTION

Globally, the way businesses operate and the pace at which they operate have undergone tremendous transformations as a direct result of the demands of competition. In light of these circumstances, the financial sector has made available a variety of investment opportunities. More and more opportunities to generate good sources of income through investments are becoming available all around the world. As a result of these conditions, investors have the freedom to invest their hard-earned money in any of the available opportunities, such as bank deposit schemes, postal savings schemes, provident fund (PF), share market both primary and secondary, life insurance policies (like LIC), government securities or bonds (like NSC), mutual funds, real estate, gold, company deposits, and other opportunities for investment. Although teaching professionals have access to generous salaries (particularly with the introduction of the sixth pay commission), they seldom find the opportunity to educate themselves on the different investing opportunities available to them. Although only a minority of individuals in society invest their assets in a methodical way, and the majority of people do not invest their money at all. A methodical strategy for investment will invariably result in a satisfactory return. People are doing quite well financially, yet they are unsure about when, where, or how to invest their money. Everyone should be aware that, in today's world, financial planning is an absolute need in order to gain a clear understanding of one's current financial position and to guide one's efforts toward achieving one's desired level of financial well-being. To properly manage one's finances in order to work toward one's life goals and ultimately achieve those goals, it is vital to have a solid grasp of money, its worth, the available avenues for investment, various financial institutions, the rate of return and risk, etc.

Over the course of the last few years, increasing levels of competitive pressure have led to the initiation of enormous adjustments in both the manner in which business is conducted and the rate at which it is conducted throughout the world. In light of this circumstance, the financial industry has provided a variety of investment

opportunities. Whether they are structured or not, markets are inundated with a wide variety of financial instruments and routes, which make it possible for investors to invest their discretionary income without restriction. When it comes to circumstances and restrictions that are vulnerable to market risk, the financial institutions are being very explicit with the investors. As a result of these conditions, investors have the freedom to invest their hard-earned money in any of the available opportunities, such as bank deposit schemes, postal savings schemes, provident fund (PF), share market both primary and secondary, life insurance policies (like LIC), government securities or bonds (like NSC), mutual funds, real estate, gold, company deposits, and other opportunities for investment. Knowing what degree of future financial performance is inherent in today's investment opportunity and having the ability to adjust one's expectations accordingly is the most important factor in successful investing. The world of investment is forever looking into a future that is unclear and trying to foresee change.

### **INVESTMENT AVENUES FOR TEACHING PROFESSIONALS –AN OVERVIEW**

The pattern of a country's savings and investments plays an essential part in the growth of that country. There is no exemption for India in this regard. This indicates that the savings and investments made by individuals in India are playing a significant role in the growth of the nation. In recent years, there has been a growing interest in financial awareness among a variety of organizations, including governments, bankers, companies, employees, instructors, and other professionals. The introduction of new financial products, the increasing complexity of financial markets, and the shifts in economic, political, and demographic considerations are some of the causes that have contributed to the growing relevance of developing financial literacy, education, and awareness.

In recent years, financial awareness has become increasingly important due to the complexity of financial markets and the information asymmetry that exists between markets and common people. As a result of this information asymmetry, common people are finding it increasingly difficult to make choices that are based on accurate information. The purpose of this study is to investigate the knowledge and preferences of investors on the many investment opportunities that are accessible to them, as well as investigate the factors that influence the pattern or preferences that investor's exhibit. To be more precise, an effort has been undertaken to determine the amount of understanding that management professors have regarding the many different types of investment opportunities. There are many different reasons why people choose to invest their money, and each person has their own unique set of priorities. It might be either to acquire a regular, uniform, safe, and continuous return in the future with minimal or moderate risk, or it could be to enjoy the advantages of capital appreciation with the risk that comes along with it. The individual's age, income, gender, occupation, level of education, and other criteria, among others, all play a role in determining what their investing goals are.

The conventional approach to finance is predicated almost entirely on the concept of the rational man. It indicates that humans are able to comprehend issues that are very complicated and carry out an infinite number of immediate optimizations. Human beings are portrayed as rational organisms that are capable of making sound choices when presented with all of the relevant information in the classical economic literature. Those humans that are excellent in every manner always manage to maximise the advantage that was meant for them. Herbert and Simon demonstrated, that when it comes to making decisions, human beings do not always act in a perfectly reasonable manner. It is a common practice to make the assumption that investors consider all of the information at their disposal before making investing decisions. On the other hand, there is sufficient data to suggest that this is not always the case. The growth of a nation's economy is contingent not only on the expansion of its manufacturing and commercial service sectors, as well as its agricultural sector, but also on the nation's capacity to make the most of its available land, labour, financial resources, and organizational resources. Capital is the most significant of all these variables that go into producing a good or service. Capital is the scarcest resource accessible to most of the countries in the globe. India is another country that falls under this category. As a result, there is an imperative to make efficient use of capital.

### **PATTERNS OF SAVING AND INVESTING PRACTICES AMONG TEACHING PROFESSIONALS**

It is generally agreed upon that "Teaching" is the most honourable of all occupations in every region of the world. Throughout the history of our civilization, educators have always served as important agents of social

change. It is only a teacher who, through the application of his or her intelligence, patience, and wisdom, endeavours to not only hone the learner's intellect and aptitude but also takes steps to mold a multifaceted personality. For this reason, mankind has always regarded teachers as a blessing to the society. The extent to which a teacher is knowledgeable is one of the most important factors that determines the standard of the student's education. There are a variety of considerations that go into determining a teacher's career trajectory. The quality of a person's life is one of the primary aspects that has a significant impact on the effectiveness of a teacher. The degree or style of living that an individual maintains has a significant bearing on the overall quality of that individual's life. Therefore, the management of personal finances, including income, consumption, savings, and investment, has a significant influence on standard of living. These terms refer to the four aspects of personal finance. Therefore, the attitudes of teachers toward consumption, savings, and investment would reflect their economic behaviour, which would impact their quality of life, which would influence their profession, and which would ultimately influence the education system. More and more opportunities to generate good sources of income through investments are becoming available all around the world. One has the option of investing any spare cash in either the home or the international market. Although only a minority of individuals in society invest their assets in a methodical way, and the majority of people do not invest their money at all. A methodical strategy for investment will invariably result in a satisfactory return. People are doing quite well financially, yet they are unsure about when, where, or how to invest their money. Everyone should be aware that, in today's world, financial planning is an absolute need in order to gain a clear understanding of one's current financial position and to guide one's efforts toward achieving one's desired level of financial well-being. Knowing what degree of future financial performance is inherent in today's investment opportunity and having the ability to adjust one's expectations accordingly is the most important factor in successful investing. The world of investment is forever looking into a future that is unclear and trying to foresee change. Although this paper is written especially for investment practitioners, students, and other groups such as individual investors will discover that it will help them to have more understanding about alternate types of financial institutions and potential investment opportunities.

#### **NEED FOR THE STUDY**

Many people lack financial knowledge, despite the fact that investments are the single most significant item in the modern world. Teaching professionals have access to generous salaries, but often lack the knowledge and information necessary to capitalize on available financial and investment options. They are well within their rights to both save (invest) and spend (splurge) to some degree. However, the lack of financial understanding that many investors have puts them in a far more precarious position. Investor education is currently offered in conjunction with a wide variety of investment opportunities that are currently available on the market. Investors have access to a wide selection of instruments and assets from which to pick. When making their decision, consumers have to take into account the rate of return as well as the risk associated with each investment option. There are a variety of institutions that provide investors with alluring package deals. The investors are assisted in accessing their potential investment opportunities by various media outlets such as television, newspapers, magazines, and the like. The vast majority of teaching professionals, being highly educated elites, are aware of the many investment opportunities and institutions that are accessible. Therefore, it is essential to determine the mentality of teaching professionals on the numerous investing opportunities provided by a variety of financial institutions and the implications of doing so. This document will be of great assistance to investment counsellors, teaching professionals, students, and other individual investors.

#### **STATEMENT OF THE PROBLEMS**

The process of investing, it is very necessary for the investor to have information about the many investment options as well as the markets. The rate of return on investment is subject to significant swings, but at the same time, investors need to evaluate the rate of return in relation to the level of risk associated with the investment. The success of efforts to entice investors has been significantly aided by financial institutions. The involvement of intermediary agents like as brokers, jobbers, and others has an adverse effect on investors. Although teaching professionals have access to generous salaries (particularly with the introduction of the sixth pay commission), they seldom find the opportunity to educate themselves on the different investing opportunities available to them. Therefore, because they lack financial understanding, they invest their discretionary income in assets that



have a poor level of safety, profitability, and marketability. Teaching professionals have every right to anticipate a healthy rate of return on their investments since they are investors themselves. In order to accomplish all of these goals, they require an appropriate flow of information. The generation of wealth is not an artistic endeavor.

## OBJECTIVE

This chapter is to find the preferred investment avenues by the teaching professionals in Coimbatore city.

## METHODOLOGY

This is an empirical study carried out in Coimbatore city. Its aim is to focus on the teaching professionals to know their preferred investment avenues. Hence, purposive sampling method has been applied to select the sample respondents from the teaching professionals. 250 teachers from school and colleges have been selected. The data have been collected using Google Forms and analysed with the simple percentage and Hendry Garret Ranking technique.

## FINDINGS

### 1. Profile of the sample respondents

**Table 1: Profile of the respondents**

	Profile	Number of respondents	Percentage
Age	Less than 35 years	96	38.4
	35 to 50 years	78	31.2
	More than 50 years	76	30.4
Gender	Male	112	44.8
	Female	138	55.2
Nature of institution	Government	128	51.2
	Private	122	48.8
Experience	Less than 5 years	45	18.0
	5 to 10 years	112	44.8
	More than 10 years	93	37.2
Income level	Less than Rs. 30,000 pm	65	26.0
	Rs. 30,000 to Rs. 60,000 pm	42	16.8
	More than Rs. 60,000 pm	143	57.2
	Total	250	100.0

The profile of the respondents shows that 96 (38.4%) respondents aged below 35 years, 78 (31.2%) are aged from 35 to 50 years and 76 (30.4%) respondents older than 50 years. Gender classification shows 112 (44.8%) are male and 138 (55.2%) are female. Nature of the institution indicates their job security and scale of pay. Out of 250 sample respondents, 128 (51.2%) respondents are working in government and government aided institutions and 122 (48.9%) respondents are working in private educational institutions.

The professional experience is also considered as it impacts on the salary and knowledge. 45 (18.0%) respondents have less than 5 years of experience, 112 (44.8%) are experienced between 5 and 10 years and 93 (37.2%) respondents are having more than 10 years of experience. Based on their salary, they are grouped as less than Rs. 30,000 per month (26%), salary between Rs.30,000 and Rs. 60,000 per month (16.8%) and more than Rs. 60,000 per month (57.2%).

### 2. INVESTMENT AVENUES

The main of the study is to find out the most preferred investment avenue by the teaching professionals. The various investment avenues are real estates, mutual funds, insurance, bank deposits, government securities, gold, share market, post of saving schemes, and others sources like chit funds and local unorganized finances. The respondents are asked to mention their preferred choices in 5 scales i.e., very highly preferred, preferred, moderate, less preference and very less preference. From the observation, it is ranked with the help of Friedman ranking technique.

**Table 2: Preferred investment avenues**

Investment avenues	Mean	Std. Deviation	Mean Rank	Rank
Real estates	4.20	1.152	6.88	I
Mutual fund	3.70	0.797	5.70	II
Insurance	3.28	0.796	4.74	V
Government securities	3.05	1.099	4.37	VIII
Gold	3.17	1.195	4.65	VI
Share market (security market)	3.19	1.056	4.60	VII
Postal savings	3.29	1.147	4.76	IV
Bank deposits	3.50	1.326	5.22	III
Others	2.84	1.390	4.08	IX

The Table 2 exhibits that most of the respondents prefer the real estate to invest from their surplus earnings (6.88). It shows that the buying properties as investment is liked by the teaching professional as it gives regular income, appreciation in value and tax benefits also. Some of the mutual funds schemes are given second rank with a mean rank of 5.70. This is also giving the tribe benefits to the salaried people. The teaching professional want safe and liquidity prefer the bank deposits (5.22). Another option for the safe, more return and tax benefits, the respondents give fourth rank to postal saving schemes (4.76). Insurance covers life risk, return and tax benefits. It is ranked fifth among nine choices (4.74). Investment in Gold (4.65) is mostly liked by the women teachers. Investment in share market (4.60), government securities (4.37) and in other areas (4.08) are ranked seventh, eighth and ninth respectively. It is concluded from the findings that the teaching professionals like investments which gives regular return, capital appreciation and tax benefits together. Significance in the difference in the mean rank is tested with the help of Friedman test. The result is given below.

**Table 3: Friedman Test**

N	250
Chi-Square	577.429
df	8
Asymp. Sig.	0.000

The result indicates that the calculated Chi-Square value (577.429) for the degree of freedom 8 is significant. The p value is 0.000 which is significant at 1% level. Hence, it is concluded that the ranks given by the respondents for the real estate, mutual funds, and bank deposits are significant.

### 3. Purpose

The purpose of making investment from their surplus may differ person to person based on their nature. Here, the study is focused on the teaching professional and their preference may be unique. In this context, the purposes of making investment by the respondents are ranked.

**Table 4: Purpose of investment**

Purpose	Mean	Std. Deviation	Mean Rank	Rank
Liquidity	2.96	1.021	2.55	V
Capital appreciation	3.22	1.116	3.01	III
Tax savings	3.46	1.312	3.42	I
Safety	3.37	1.109	3.26	II
Regular income	3.09	1.076	2.75	IV

The Table 4 shows that the tax saving benefits is given priority (3.42) by the respondents. Safety for their investment is also given importance (3.26). Capital appreciation for their investment in long term (3.01). Regular income (2.75) and liquidity (2.55) are ranked fourth and fifth.

**Table 5: Friedman Test**

N	250
Chi-Square	165.985
df	4
Asymp. Sig.	0.000

The result of the Friedman test shows that Chi-Square value is 165.985 for the degree of freedom 4. This is significant at 1% level ( $p < 0.000 < 0.01$ ). It is concluded that the tax saving, safety and capital appreciation are the important purposes for selecting to the investment avenue.

### Risk taking

The risk and return are the two sides of the investment. As investors, their ability or interest to take the risk determines their investment option. In this regard, it is an attempt to know the risk taking ability of the teachers. The result is given below.

**Table 6: Level of risk taking**

Level of risk taking	Number of respondents	Percentage
Less	133	53.2
Moderate	71	28.4
More	46	18.4
Total	250	100.0

The Table 6 shows that majority (53.2%) respondents are not ready to take risk in their investment. 71 (28.4%) respondents have willing to take risk moderately and 46 (18.4%) respondents are ready take more risk in their investment.

### CONCLUSION

The findings of the research, the vast majority of those polled, or professors, would rather put their money into safe investments like as bank deposits, insurance, or savings accounts at the post office than into stocks or bonds. In this case, respondents are selecting an investment choice that has a low risk and a poor return since they are not interested in taking on a significant risk. They will be putting their money into bank deposits, which have a low risk but also a low return. Therefore, it is essential to educate educators about the many investment options available, as doing so will assist them in evaluating risk and return portfolios and, as a result, will allow them to enhance the amount of money they earn. In addition, the vast majority of the respondents are married, and the primary goal of their savings is to provide a better future for themselves and their children by providing for their education. The vast majority of lecturers have developed the practice of setting aside a portion of their monthly pay and investing it with the goal of earning a rate of return that is somewhere in the middle. Therefore, investing strategies that make reference to these goals have the potential to entice the vast majority of investors.

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# THE COVID-19 EPIDEMIC IMPACT ON THE PERFORMANCE OF THE INDIA STOCK MARKET- AN EMPIRICAL STUDY

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## ABSTRACT

The outbreak of COVID-19 has affected the entire global financial market in an unprecedented way. Due to the disruptions that emerged in the global market; the financial market of India also reacted to the pandemic and witnessed sharp volatility. Given the COVID-19 situation, this paper empirically investigates the impact of COVID-19 on the Indian stock market. Using daily closing prices of indices such as Nifty and Sensex, this study examines the volatility of these indices over the period 3rd September 2019 to 10th July 2020. Further, the study has attempted to make a comparative analysis of the return of the stock market in pre-COVID-19 and during the COVID-19 situation. The aim of the paper is to study the impact of the COVID-19 pandemic on the Indian stock market. This study is to measure the volatility of Indian Stock market with reference to National stock exchange during pre and during the pandemic period. The famous and one of the globally watching indices Nifty 50 is purposively taken for measuring the volatility. As this study is comparing the performance during pre and during the pandemic period, the first COVID-19 patient was identified in January 2020 and till date the effect of the pandemic is on the Indian economy. Hence, the pandemic period is considered as January 2020 to end of the study period May 2022. For the comparison, in pre pandemic, two years period i.e., 2018 and 2019 are taken. The nifty in analyzing historical data has been downloaded from the official website <https://www1.nseindia.com>. Daily closing index (Nifty 50) is considered for calculation. It is concluded from the findings that the overall Indian stock market is considered as an emerging market globally.

**Keywords:** Stock market, Volatility, BSE NSE and Covid-19 Epidemic

## INTRODUCTION

The capital market is one of the liveliest areas in the financial system, representing an essential contribution to economic progress. Two significant reasons why Indian assets are now widely considered as appealing to overseas investors are the comparatively high returns compared with established global markets as well as the low correlation with the world markets. Capital holds a position so dominating to the economic theory of production and distribution that it is logical to expect that it should occupy at least an equally prominent role in the theory and practice of economic development. It is typically assumed that economic development and capital accumulation with a high positive and substantial link and additions to the stock of capital may stimulate and allow quicker rate of expansion even under the conditions which can be regarded as lack of capital.

Economic disruption induced by the epidemic has a major effect on stock markets, particularly in the stock, defense, and material (such as crude oil and gold) markets, making forecasting much more difficult during the pandemic. Stock return or securities exchange forecasting is an important area of research that has captivated academics' attention for a lengthy period. The capital markets worldwide have been severely impacted by this pandemic, with many large corporations fighting to survive in the COVID19 era. Continuous revisions to economic growth forecasts, combined with increased risk aversion, have resulted in extraordinary volatility in the stock market and other hazardous asset markets, accompanied by significant uncertainty regarding future

pandemic development. Prediction is the act of asserting with high certainty that something will occur in the future, which impact market sentiments due to limited might access to information. Stock market return prediction is one of the most difficult positions to hold due to the multiple variables that affect the market, such as interest rates, politics, and economic growth, all of which contribute to the stock market's volatility and difficulty in forecasting exactly. Thus, this research paper will examine the impact of official announcements about new cases of COVID-19 infection and death on the performance of the Indian stock markets, specifically the National Stock Exchange and the Bombay Stock Exchange, using a regression model and pairwise granger causality tests. Stock market of any country is regarded as a parameter of the country's economy. It acts as a bridge in procuring funds from the interested investors and the same is utilized for the purpose of industrial growth which in turn results in corporate growth. In terms of the growth measurement of stock market, the index is used as proximate to ascertain the level of the growth over the period of the years. Normally the stock market indices show ups and downs with respect to their movement due to the price fluctuation and the price of the script is operated under market condition i.e. demand and supply factors. As long as the influx of investment is at the larger extent, the indices of the stock market react positively showing upward trend.

### **INDIAN STOCK MARKET – AN OVERVIEW**

Focusing now on the Indian stock market, most of the trading in the Indian Stock Market takes place on its two stock exchanges namely the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The BSE has been in existence since 1875 and has about 4700 listed firms whereas NSE was founded in 1992 and started trading in 1994 and has about 1900 listed firms. The two prominent Indian market indexes are Sensex and Nifty. Sensex being the oldest market index for the equities; it includes shares of 30 firms listed on the BSE, which represent about 45% of the index's free-float market capitalization. It was created in 1986 and thereby provides time series data from April 1979, onward.

The investment in the Indian Stock Market, consider the most important factor that is investment through foreign institutional investors which in the year 2014 contributed around 2.6 crores. This investment is however very less as compared to the other developing nations such as China. The major reasons stated due to which the inflow of funds is not very prominent could be due to the government policies, not very business friendly environment, fluctuation in the value of the rupee and the risk exposure which is high as compared to the returns promised. It is seen that when compared on a global platform only 3% of the population invest in the Indian Stock Market which is a matter of concern. There might be various reasons for it; this study would give a brief yet very detailed insight to the factors of concern that augment the investment in the Indian stock Market. This study also includes the various steps that an investor needs to keep in mind before investing. The Indian stock market is the engines that drive the vehicle of Indian economy by generating much capital needed. The Indian stock market is one of the most developed markets in the world. The origin of Indian stock market can be traced to the later part of the eighteenth century. It is one of the oldest and fastest growing in the world. There are two main stock exchanges in India:

**Bombay Stock Exchange (BSE):** Established in 1875, BSE Ltd. (formerly known as Bombay Stock Exchange Ltd.), is Asia's first Stock Exchange and one of India's leading exchange groups. Through the provision of an effective platform for the raising of capital throughout the course of the previous 140 years, BSE has been a significant contributor to the expansion of the corporate sector in India. The exchange, which was first founded in 1875 as "The Native Share & Stock Brokers' Association," is most often referred to by its acronym, BSE. The Bombay Stock Exchange (BSE) is a corporatized and demutualized institution, with a diverse stakeholder base that includes the Singapore Exchange and Deutsche Bourse as strategic partners. The BSE enables transactions in equities, debt instruments, derivatives, and mutual funds to take place in a market that is both efficient and transparent. In addition to that, it provides a trading venue for the stocks of small and medium-sized businesses (SME). BSE is the leading exchange in the world in terms of the number of firms that are listed on its exchange, which is over 5500. As of March 2015, the overall market capitalization of the firms that are listed on the BSE Ltd is 1.68 trillion United States dollars. It is also the fifth biggest exchange in the world for trading index options, making it one of the world's major exchanges overall (Source: World Federation of Exchanges).

A wide variety of other services, including as risk management, clearing, settlement, market data services, and educational opportunities, are also made available to participants in the capital market by the BSE. It has a

presence throughout the country as well as consumers all over the globe, giving it a worldwide reach. Systems and procedures at the BSE have been developed with the goals of preserving market integrity, propelling the expansion of the Indian capital market, and fostering innovation and competition across the board in all market areas. BSE is the first exchange in India to receive an ISO 9001:2000 accreditation, and it is just the second exchange in the world to do so. In addition to this, it is the first Exchange in the nation to achieve the Information Security Management System Standard BS 7799-2-2002 accreditation for its Online trading System, making it the second Exchange in the world to do so (BOLT). It is responsible for running one of the nation's most reputable educational institutions for the financial sector (the BSE Institute Ltd.). By way of its subsidiary Central Depository Services Ltd. (CDSL), the BSE also offers services related to depositories. The S&P BSE SENSEX, which measures the performance of prominent stocks traded on the BSE, is the benchmark index for India's stock market that receives the most attention. It is traded globally on exchanges such as the BRCS main exchanges, as well as the EUREX (Brazil, Russia, China and South Africa).

**National Stock Exchange (NSE):** The National Stock Exchange of India was incorporated in 1992 and recognized as a stock exchange in 1993, at a time when PV Narasimha Rao was the Prime Minister of India and Dr. Manmohan Singh was the finance minister. It was established with the intention of increasing the level of openness in the markets. It was founded in November 1992 as a tax-paying corporation at the request of the Government of India. The firm was promoted by significant financial institutions, mostly headed by IDBI, and the initiative was taken at their urging. In accordance with the Securities Contracts (Regulation) Act, 1956, it was officially acknowledged as a stock exchange in April of 1993. In June of 1994, NSE began doing business in the Wholesale Debt Market (WDM) section of the market. The activities of the National Stock Exchange (NSE) first got started in November 1994 with the Capital market (Equities) section, while the operations of the Derivatives segment got underway in June 2000.

The National Stock Exchange (NSE) is the most important stock exchange in India. It operates in a number of cities and towns located all throughout the nation. The Nationwide Stock Exchange (NSE) was established so that top financial institutions could provide a cutting-edge, screen-based trading system that was totally automated and had a national scope. The Exchange has brought about unprecedented levels of market openness, speed and efficiency, safety, and integrity of the market. It has established facilities that are used as a model for the securities industry in terms of the systems, methods, and procedures that are implemented in such facilities.

The National Stock Exchange of India (NSE) has been a driving force behind the transformation of the microstructure, market practices, and trading volumes of the Indian securities market. The modern market makes use of cutting-edge information technology in order to provide a trading, clearing, and settlement mechanism that is both effective and transparent. In addition, the market has seen several innovations in products and services, such as the demutualization of stock exchange governance, screen-based trading, compression of settlement cycles, dematerialization and electronic transfer of securities, securities lending and borrowing, professionalization of trading members, and fine-tuned risk management systems.

Trading was previously conducted on a floor-based platform, but the National Stock Exchange (NSE) introduced nationwide screen-based electronic trading in the early 1990s, which brought trading right to the doorstep of individual investors. This fundamentally altered the way in which the Indian markets operated. The primary motivation for the establishment of the exchange was the desire to improve market transparency. The National Stock Exchange (NSE) insured that trading membership would not be limited to a select group of brokers by instead allowing anybody who was qualified, experienced, and satisfied minimal financial standards to participate in trading. When ownership and administration of the exchange were split up under the supervision of SEBI, the National Stock Exchange (NSE) demonstrated a level of innovation that was decades ahead of its time. A customer at a distant area is now able to see the pricing information that was previously only accessible to a small group of individuals. Previously, only a few people were able to view this information. The paper-based settlement was switched to electronic depository accounts, and the settlement of transactions was carried out punctually every time. It was one of the most important modifications because a solid risk management system was put into place. This allowed settlement guarantees to shield investors against broker failures, which was one of the most important developments.

## REVIEW OF LITERATURE

Bala subramanian, et al. (2014) studied the majority of companies in India have a shareholding structure that is characterized by concentrated ownership and control. Over the course of the 11 years covered by this research, beginning in December 2001 and ending in December 2011, controlling shareholders strengthened their position by significantly expanding their ownership. Within the scope of this research, international businesses increased their level of entrenchment, with median ownership comprising more than fifty percent of rights through. It's possible that the recent changes in government policy that opened up various economic sectors to majority FDI from outside were a significant factor in the reduction in the number of listed businesses. Over the course of the research period, the number of shares held by non-institutional investors decreased in the sample of government-owned enterprises, while the number of shares held by institutional investors increased in proportion.

Rudraet al. (2014) investigated the effect that the increase of the stock market, money supply, and inflation had on India's economic expansion during the post-globalization era of the 1990s, particularly between the years of 1994 and 2012 According to the findings of the study, the growth of the stock market, inflation, money supply, and economic growth are all co-integrated. This finding suggests the existence of a long-run equilibrium relationship between these factors. The study used an autoregressive distributive lag (ARDL) bounds testing approach. The vector autoregressive error correction model (VECM) provides further confirmation of the presence of both unidirectional and bidirectional causation between India's economic growth, money supply, inflation, and the development of the stock market. Inflation and money supply can be considered a policy variable to predict both economic growth and stock market development in the Indian economy during the post-globalization era, which is the policy implication of this study. The study was conducted to examine the effects of globalization on the Indian economy.

Chauhan, Daksha Pratapsinh. Dec (2013) studied the profitability of the NSE and the BSE throughout the course of the previous ten years. The purpose of the research is to determine which stock exchange is producing superior financial results based on a variety of criteria. This research is restricted to analyzing solely financial performance, including average profits, listing income, brokerage income, operational expenditures, Return on Capital Employed, total revenue income, and other relevant metrics. The mean, standard deviation, coefficient of variance, and trend analysis are the tools that are used to evaluate the success of a company's finances. They analyzed the price returns of individual equities using data from India's National Stock Exchange (NSE) and daily closing price data from India's National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), the country's two main stock exchanges.

Mishra et al (2014) applied three distinct unit root tests along with two structural breaks to 19 years' worth of monthly data on six indices from the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE) in order to conduct an analysis of the random walk hypothesis. The data comes from both exchanges. However, a newly developed unit root test that simultaneously allows for heteroscedasticity and structural breakdowns discovers that stock indices are mean reverting. Our findings show that unit root tests that allow for two structural breaks alone are unable to reject the unit root null. When testing for a random walk using high frequency financial data, our findings highlight how important it is to take into account the possibility of heteroscedasticity.

## STATEMENT OF THE PROBLEM

As the economic narrative of India continues to unfold, there is a pressing need to increase resources for businesses in order to meet the capital requirements of the economy. There is obviously not enough involvement from a wide variety of people. Only around 18 million people out of a total population of over one billion participate in the stock markets. The equities sector is responsible for more than 75 percent of the market activity that is taking place in India right now. In contrast, the tendency is the opposite in industrialized nations, where bond trading accounts for more than 80 percent of total market activity in several places. The unstable activity in the stock markets further implies that they are not only extremely speculative but also lacks support from a big basis. The mobility of foreign institutional investors is very important to the Indian market, which is greatly reliant on them. Therefore, even if the fundamentals of the market have not altered, the market indices

are very sensitive to even the smallest shift in FII inflows and outflows. The lack of openness that exists inside the system is just another disheartening aspect. The public does not have access to the data that is stored in the repository that is maintained by exchanges and other market infrastructure institutions (MIIs), such as depositories.

### RESEARCH OBJECTIVE

The aim of the paper is to study the impact of the COVID 19 pandemic on the Indian stock market.

### RESEARCH METHODOLOGY

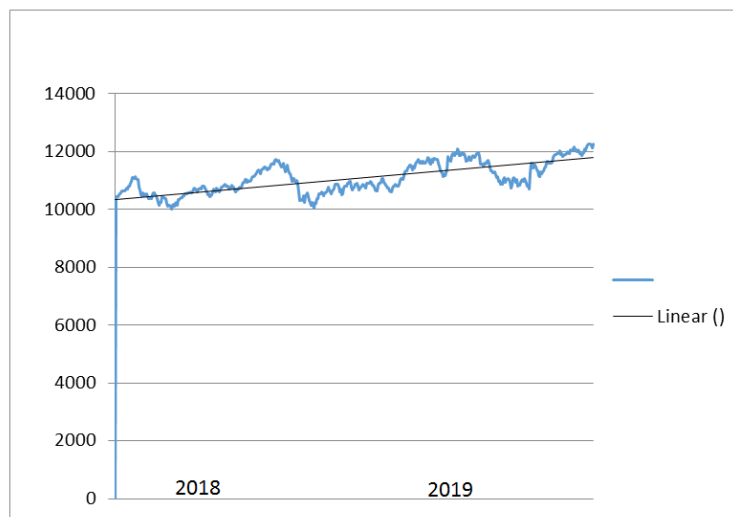
This study is to measure the volatility of Indian Stock market with reference to National stock exchange during pre and during the pandemic period. The famous and one of the globally watching indices Nifty 50 is purposively taken for measuring the volatility. As this study is comparing the performance during pre and during the pandemic period, the first COVID 19 patient was identified in January 2020 and till date the effect of the pandemic is on the Indian economy. Hence, the pandemic period is considered as January 2020 to end of the study period May 2022. For the comparison, in pre pandemic, two years period i.e., 2018 and 2019 are taken. The nifty in analyzing historical data has been downloaded from the official website <https://www1.nseindia.com>. Daily closing index (Nifty 50) is considered for calculation.

### FINDINGS

#### 1. Trend

The trend is the most useful tool for analyzing the behaviour of the stock market. The trend of Nifty 50 has been studied in aspects that pre pandemic (2018-2020) and during the pandemic (since 2020) to compare the behaviour.

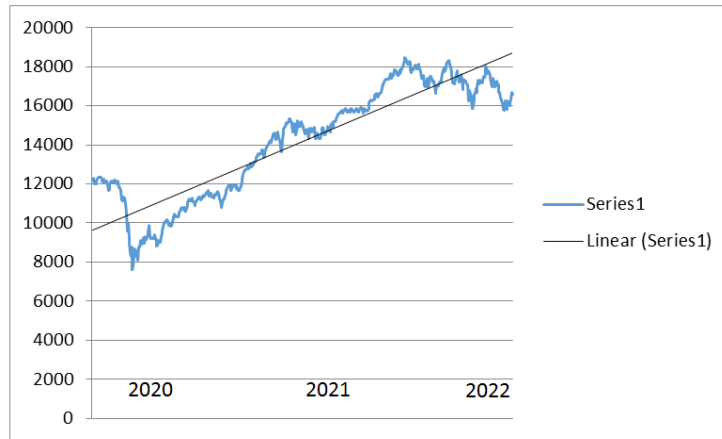
**Chart 1: Trend of Nifty 50: Pre-pandemic**



The pre-pandemic period of the market behaviour is considered for the 2018 and 2019. The chart shows the volatility of the Nifty 50 during the period. The up and down in the line indicates the behaviour of Nifty 50. The Linear trend line indicates that the overall movement of the index is increasing. It was around 10000 in the beginning and ended with more than 12000. The behaviour of the index after the Corona pandemic is presented in the Chart 2.

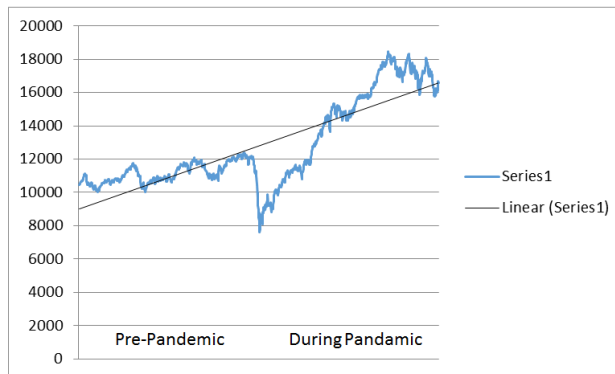


**Chart 2: Trend of Nifty 50: During pandemic**



The above chart reveals that the movement of Nifty 50 from January 2020 (the month of Covid-19 started to spread in India) to May 2022. The index early went down by 25% from 12000 mark to 8000 mark immediately after the pandemic lockdown and other steps are taken. The normal life of the people in entire world was tremendously affected by virus spread out. But after the pandemic started, the effect of the vaccination and the measures taken by the nations globally, gave confidence to the people and their normal life has been returned slowly. The parameters of the industry, nation and the global economies are recovered. Hence, the index started its recovery from 8000 mark. Then the index returned to its streak as before the pandemic. Later in 2020 and 2021, the benchmark index reached the pinnacle 18000 mark. The Linear trend line shows an huge increase in the index. The curve goes upward better than the pre pandemic period. The following chart explains the behaviour of the index for the entire period from 2018 to 2022.

**Chart 3: Trend of Nifty 50: During the study period**



The above chart gives the combined picture of the pre and during the pandemic period (2018-2022). The first half of the chart (pre pandemic) indicates the normal and stable growth and then after pandemic correction, the market recovered at a greater level.

**2. Moment and range**

Above the chart, the moment in the index can also be calculated through the statistical tools like range and mean. The result of the pre pandemic and during the pandemic is given below.

**Table 1: Nifty 50 movement during pre-pandemic**

Period	N	Range	Minimum	Maximum	Mean	Std. Deviation
2018	246	1740.45	9998.05	11738.50	10749.3923	382.63257

2019	245	1667.45	10604.35	12271.80	11432.6322	454.21461
2018-2019	491	2273.75	9998.05	12271.80	11090.3165	541.18403

The Table 1 shows that the index had a range of 1740 in 2018 and 1667 in 2019. The range is comparatively moderate during the period. The minimum is 9998.05 and maximum is 12271.80. The mean of the index for the year 2018 is 10749 and 2019 is 11432. The return on the index is found more than 6% in the year 2019.

**Table 2: Nifty 50 movement during pandemic**

Period	N	Range	Minimum	Maximum	Mean	Std. Deviation
2020	251	6371.70	7610.25	13981.95	11150.2386	1402.61261
2021	248	4842.45	13634.60	18477.05	16026.7607	1285.16010
2022	101	2525.95	15782.15	18308.10	17096.5213	643.34116
2020-2022	600	10866.80	7610.25	18477.05	14166.8253	2874.68899

The year 2020 is the year for more volatility in the market. The range is more than 6370 points. In correction, it came to 7610 and recovered to 13981. The range is 4842 in 2021 and 2525 in 2022. The mean of the index for the year 2021 is 11150 and for the year 2022 is 16026 and for the year 2022 is 17096. The mean shows huge upward trend in the market during the pandemic. The range in this period is huge (more than 10800 points in 2 and half years). The return of the market in 2020 is -2.5%, in 2021 is increased to 43% and in 2022 (upto May 2022) is 6.67%.

It is concluded from the findings that the overall Indian stock market is considered as an emerging market globally.

## CONCLUSION

The stock market is one of the most vital components of a free-market economy, as it provides companies with access to capital in exchange for giving investors a slice of ownership in the company. The stock market makes it possible to grow small initial sums of money into large ones, and to become wealthy without taking the risk of starting a business or making the sacrifices that often accompany a high-paying career. The world economic and healthcare crisis made huge impact on the stock markets worldwide. The stock market is so sensitive to reflect the sentiment of the people. The market movement was stable and constant in giving return. The pandemic made huge impact on the sentiment of the people as it made fear among them. The normality of the life was disturbed and the future was unpredictable. After the vaccination, the people started to come to their normal life and mind set. Though some sectors like automobile struggle yet, most of the industries have recovered completely from the pandemic issues.

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## A STUDY ON EMPLOYER BRANDING IMAGE ON BANKING EMPLOYEES ATTRACTION AND RETENTION

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### ABSTRACT

Retaining talented employees is the priority of many organizations and it is the key differentiator of human capital management. Even major IT companies today are facing the challenge of retaining their talent competes in the global markets. As people, intellectual capital and talent are ever more critical to organizational strategic success and existence of an organization, in the current competitive business environment, retention of highly talented employees is very important as they contribute positively in improving the organizational productivity. Thus, companies are in search of effective mechanisms for increasing the retention rate in the organizational. It is of no surprise that in today's world we have the most aggressive of the business environment, and the challenge of sustaining at a competitive advantage occupies the minds of many business leaders, with the most inevitable source of having competitive advantage are the employees. The study has the following objectives to analyze the socio-economic characteristics of the sample respondents and to study the Perception on Employer Branding Attributes. This is an empirical study has been carried out in Chennai city. The study has been conducted with the employees working in private and public sector banks. 100 samples from each category have been selected to measure their perception towards employer branding using simple random technique. The data were collected through Google forms.

**Key words:** *Employer Branding, Banking Employees Attraction and Retention*

### INTRODUCTION

The concept of "employee retention" refers to the practices and protocols that companies put into place to prevent key personnel from leaving the company. In today's highly competitive world, one of the most important challenges that face organizations is figuring out how to keep valued staff members on board. Companies used to consider the "revolving door policy" to be an essential component of doing business, and they moved quickly to replace a vacancy with another applicant who was excited about the position. Companies in the modern day commonly come to the realization that they invest a large amount of time, effort, and money educating an employee, only to have that individual mature into a valuable commodity and leave for greener pastures when the training is complete. In order for a company to be successful, its employers should investigate as many different options as they can when it comes to retaining its workers, while also working to earn their trust and loyalty so that they have less of a desire to quit the company in the near future. It is essential to maintain staff since successfully operating a business depends on having personnel that are skilled, devoted, conscientious, and well-trained.<sup>1</sup> They have developed a comprehensive grasp of the product over the course of time, and a trained employee is in a better position to deal with customers and find solutions to problems for colleagues who are new to the company. When a person leaves his position, he takes all of the company's information with him, including details about ongoing projects, for example.

The company's goodwill is affected as a result of the higher staff turnover rate, and rivals begin peeking their heads in to see who the company's best employees are and try to recruit them away from them. There has been a

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<sup>1</sup>AvinashPawar,(2018). "A study on Employer Branding in IT companies: The Indian Scenario," *Journal of Applied Management and Investments*, Vol. 7(3), pages 162- 171, September.

significant reduction in productiveness at work.<sup>2</sup> In this highly competitive climate, the first issue that has to be addressed by the enterprises is how they may achieve a competitive advantage. The practices of modern organizations are more reliant on their top performers for innovations and the provision of services that distinguish a firm from its tough competition.<sup>3</sup> As a result, businesses must depend on and think that their people are their most valuable assets in order to continue existing in the market and ultimately prevail. When comparing the two periods in which workers have produced new currents in the workplace and developed a system where retention of employees is given more attention and value as opposed to the past, it is important to note the differences between the two.

### **EMPLOYER BRANDING – AS A NEW HR ARENA**

Over the course of years and even decades, the concept of employer branding has developed. In today's digital era, employer branding is still important in the business sector and serves as a strategic lever in the process of discovering the most qualified candidates. This is a results-oriented environment, in which a corporation will have a better reaction from its skilled employees if the corporation has a solid brand value in the market; if it does not, it will be extremely difficult for the corporation to survive in this competitive world. If the company has a good reputation in the market, it will be easier for them to hire the appropriate workers at the appropriate time, and they will also be able to keep a tighter rein on their overall personnel costs.<sup>4</sup>

Employer branding is a term that describes the strategies an organization does in order to engage, inspire, and retain its workforce by way of its own internal efforts, with the goal of positioning the firm as the greatest place to work. The conventional style of doing business operations and procedures is not the intended outcome of these efforts; rather, the goal is to achieve, as a consequence of these efforts, a sustainable competitive advantage via their human capital. It is essential for the success of an employer brand that its values connect with those of the workers if the brand is to attract and retain top talent.<sup>5</sup> The usual flow of work inside a company has been disrupted as a result of the rise in the attrition rate. There are two distinct categories of employee turnover: the first is internal to the company and occurs when individuals transfer from one project or role in an organization to another. This is a shift that will mainly be beneficial, and it will keep a talented individual inside a company. In most cases, this occurs as part of an organized HR procedure and in accordance with the regulations of the firm. While the second scenario may be considered external to the company, in which people leave their current employer to work for one of their rivals or other businesses that are similar. This results in losses such as decreased overall performance, difficulty in managing daily tasks, increased costs, losing and paying the previous employee, hiring a new one, training cost for the new employee, lack of knowledgeable employees, hinders the employee development, and even creates a negative image, as a consistent number of employees leave the organization. Moreover, this causes the organization to create a negative image. This either adds to the organization's already-existing unfavourable image or hurts its brand's reputation. In order for businesses to keep hold of its talented employees, they use a variety of retention methods. Therefore, it is essential for the company to keep its personnel, who, in the context of the present environment, might be regarded as the human capital.

### **EMPLOYER BRANDING – AN OVERVIEW**

In keeping with the idea presented earlier, the findings of another study show that employer branding may be an effective activity provided it is carried out with enthusiasm, the appropriate level of expertise, trust, belief, and the backing of leadership. Gupta, Patti and Marwah, (2014)<sup>6</sup>. In addition, the author said that major aspects of

<sup>2</sup>Ambler and Barrow (1996). "The Employer Brand". *Journal of Brand Management*, Vol .1, pp 185-206

<sup>3</sup>Hadi, Noor and Ahmed, Shahjehan. (2018). "Role of Employer Branding Dimensions on Employee Retention: Evidence from Educational Sector". *Journal of Administrative Sciences*. Vol.8, (44), pp. 1-3.

<sup>4</sup>Beardwell and Claydon(2010). "HRM A Contemporary Approach. Harlow"*FT Prentice Hall*.

<sup>5</sup> Maria Tresita Paul V and Dr. S Kanthimathi (2017) "A conceptual study on employer branding in Indian organizations". *International Journal of Applied Research* 2017; 3(1): 861-865

<sup>6</sup>Gupta, A. P. (2014). "Employer Branding : A Descriptive Study Abstract" *International Journal of Economic and Management Strategy*., Vol.4(1), pp.9-10

employer branding include a company's reputation, the working atmosphere, and the growth possibilities. To provide evidence in favour of the statement made above, another study indicated that a great company, work culture and practices, wealth and benefits, growth possibilities, and psychologically The importance of a healthy lifestyle, together with safety and security, plays a significant role in workplace branding. Vasantha and Vinot both, (2015).<sup>7</sup>It is widely acknowledged that major components of employer branding include leadership support, learning culture, open communication, principles and policies, work flexibility, work-life balance, reward system, and work environment.

Kavitha, (2014)<sup>8</sup>noticed that the candidate did some research on the company's background before applying for the job. She is also of the opinion that having a positive corporate image and a good reputation among customers and employees is helpful in both areas. In the current environment of intense competition, the most significant obstacle for service-based businesses is to properly differentiate themselves from their rivals in order to both recruit and keep brilliant personnel working for them inside the company. Because of the ever-shifting landscape of liberalization, privatization, and globalization, as well as the subsequent economic reforms, all of the companies are becoming internationally strategic in order to make use of the employer brand in order to attract and retain talent, which ultimately leads to the expansion and growth of a company. Employer branding is gaining popularity as a result of the intense rivalry that exists in the information technology industry. This is because businesses are making it a priority to get the most qualified employees and to keep them for an extended period of time. The majority of respondents place the job description at the top of their list as the most essential aspect, followed by compensation and perks. The majority of respondents believe that the job description is the most significant aspect. The majority of respondents said that they would rather have rapid career advancement when changing employers than gradual career advancement with a single company. The vast majority of respondents said that they are content with their jobs at the companies where they are now employed; nevertheless, they are open to exploring other professional opportunities if they become available.

#### **STUDIES RELATING TO IMPACT OF EMPLOYER BRANDING ON EMPLOYEE RETENTION**

Arachchige and Robertson (2012)<sup>9</sup>discovered the important elements that had an effect on the likelihood of graduate students in Sri Lankan universities joining the organizations of their choice. The primary goals of the research were to identify the most significant organizational attributes that attracted the graduating students in Sri Lanka, to study the differentiating perceptions towards employer brand based on gender, and to also gain an understanding of the key dimensions of organizational attractiveness as an employer. A total of 221 students who are in their last year of business school at a Sri Lankan institution took part in the survey. These students are about to graduate. Students with backgrounds in Human Resources Management, Marketing, and Finance, amongst others, were included in the sample. There was not much of a difference in how people felt about the employer brand regardless of whether they were male or female or had specialized in a certain field of study.

Srivastava and Bhatnagar (2012)<sup>10</sup> provided a summary of the key employer brand characteristics and how they affect talent acquisition procedures in India. The answers from the sample were collected for the goal of the research, which aimed to determine the variables that lie behind the idea of employer brand. The sample included both students in their last year of postgraduate management school and working managers who were enrolled in an executive management programme at one of two famous business schools in New Delhi, India. In all, there were 105 participants in the sample. The research was conducted in two stages: first, a qualitative study was conducted using questionnaires and semi-structured interviews; then, in the second stage, a scale was developed using exploratory research survey data as the basis. The most important takeaways from the study

<sup>7</sup>Vinoth, K., and Vasantha, S. (2015). "Factors Influencing Employer Brand, Perspective of Employees in IT Industry". *Research Journal of Science and IT Management*, (2004), pp.21-26

<sup>8</sup>Kavitha, G., and Jublee, D. (2015). "Employer branding in Indian it companies". *International Journal of Applied Business and Economic Research*, Vol.13(2), pp.905-912

<sup>9</sup>Arachchige, B. J., and Robertson, A. (2011). A study was conducted to determine the factors that influence employer branding and business student perceptions of preferred employers. *Journal of Brand Management* (3). Vol.8 (1), pp. 18-23

<sup>10</sup>Srivastava, P., and Bhatnagar, J. (2010). Employer brand for talent acquisition: an exploration towards its measurement. *Vision*, 14(1- 2), 25-34

were a total of eight criteria, each of which was afterwards placed into one of two categories, namely, what the company is like to work for and what it can provide for its people. These include a caring company, an enabling organization, career advancement, credibility and fairness, flexibility and ethics, the image of the goods and services as a brand, a favourable image of the employer, and exposure to the global market.

Agrawal & Swaroop (2015)<sup>11</sup> highlighted how an applicant's perception of the company effects their decision whether or not to apply for a job at an organization. The information was compiled from responses given by 125 students who are in their first year of study at one of the five selected leading business schools in India. Responsibility and empowerment, remuneration and location, learning and progress, and socio-cultural considerations were the four aspects that served as the foundation for the survey. One of the most important things that we discovered was that the attitude dimension had a substantial relationship to application intentions, and that the element that would be most important in attracting undergraduates would be one that emphasizes responsibility and empowerment.

Tariq (2015)<sup>12</sup> discovered whether or not there is a connection between the ratings given to employer brand perceptions and the ease with which recruiting and selection procedures may be completed. The sample comprised of two companies, both of which took quite different approaches to the process of employer branding; one of the companies followed contemporary trends in employer branding, while the other adhered to more conventional image-building procedures. Purposive sampling without regard to probability was the method that was used for the data collection. The tools that were used were a demographic questionnaire, a checklist for recruiting facilitation, and an employer branding checklist. The findings of the correlation showed that there is a substantial positive link between the recruiting records of the participants and the scores on the perceived employer brand.

## OBJECTIVES

The study has the following objectives

1. To analyze the socio-economic characteristics of the sample respondents
2. To study the Perception on Employer Branding Attributes

## RESEARCH METHODOLOGY

This is an empirical study has been carried out in Chennai city. The study has been conducted with the employees working in private and public sector banks. 100 samples from each category have been selected to measure their perception towards employer branding using simple random technique. The data were collected through Google forms.

## FINDINGS

### 1. Socio-Economic characteristics of the respondents

The profile of the bank employees will impact on their decision making, perception and attitude. In this context, the age, gender, educational qualification, income level, level of experience and nature of the bank are observed.

**Table 1: Socio-economic characteristics**

Socio-economic characteristics		N	%
Age	Young	67	33.5
	Middle	91	45.5
	Old	42	21.0
Gender	Female	89	44.5
	Male	111	55.5
Educational	Under graduation	77	38.5

<sup>11</sup> Agrawal, R. K., and Swaroop, P. (2013). Effect of Employer Brand Image on Application Intentions of B-School Undergraduates. *Journal of Business Economics and Management*, pp. 34-38

<sup>12</sup> Tariq, S. K. (2015). Impact of Employer Brand on Selection and Recruitment Process. *Pakistan Economic and Social Review*, 351-372

qualification	Post graduation	89	44.5
	Others	34	17.0
Income level	Low	64	32.0
	Middle	105	52.5
	High	31	15.5
Experience	Less	45	22.5
	Moderate	128	64.0
	More	27	13.5
Nature of Bank	Private	100	50.0
	Public	100	50.0
Total		200	100.0

The respondents based on their age distributed as 67 (33.5%) respondents are from young age group (less than 30 years), 91 (45.5%) are from the middle age group (30 to 50 years) and 42 (21.0%) are from old age group (more than 50 years). 89 respondents are female and 111 are male. Educational qualification shows that 77 (38.5%) respondents are undergraduates, 89 (44.5%) respondents are post graduates and 34 (17.0%) are from other categories like professionals and diploma holders.

Based on their salary, they are grouped as low income group (64), middle income group (105) and high income group (31). Experience level shows that 45 respondents are less experienced (less than 5 years), 128 respondents are moderately experienced (5 to 10 years) and 27 respondents are more experienced (more than 10 years). The nature of the bank in which the respondents are working is also considered. For the purpose of comparison, equal numbers of respondents (100 each) are taken from private and public sector banks.

## 2. Perception towards employer branding

The employer branding is effective strategy to attract and retain talented employees in the banking sector. The employees will consider the branding before they are inducted themselves with the banking companies. There are different dimensions in the employer branding which are considered by the employees at the time of recruitment. They are reputation of the bank, compensation and rewards provided, workload, working environment, work life balance, training and development provided, brand communication, promises, other benefits, etc. The respondents are asked to give their perception towards various dimensions related to the employer branding. The result is given below.

**Table 2: Perception towards employer branding**

Dimensions	Mean	Std. Deviation
Reputation	4.20	1.139
Compensation and reward	3.72	0.811
Workload	3.30	0.801
Training and development	3.07	1.114
Brand communication	2.86	1.402
Brand promise	3.21	1.208
Work environment	3.21	1.049
Other benefits	3.29	1.164
Work life balance	3.54	1.303
Organization culture	3.50	1.152

The result from the above table shows that the respondents give much importance to the reputation of the bank (4.20) which gives job security, more benefits and prestige. The compensation paid by the banks is mostly considered by the employees (3.72) as it is their most expected factor. The present system and commitments make the employees not able to balance their personal and professional life. The Work life balance is given third rank (3.54). Organization culture is the key for the entire work culture and motivation (3.50). Workload (3.30), other benefits (3.29) are ranked fifth and sixth respectively.

## 3. Perception and the nature of the respondents

Total perception score is calculated from the dimensions considered above. The perception may change according to the nature of the employees. by keeping this in mind, the relationship is studied as follows.

**Table 3: Difference in perception according to the age**

Age	N	Mean	Std. Deviation	F	Sig.
Young	67	33.8806	6.00384	2.538	0.082
Middle	91	34.7582	6.78453		
Old	42	32.0238	6.65706		
Total	200	33.8900	6.55613		

The Table 3 shows that middle age group respondents (34.7582) have more perception than other age groups. But the difference in the means across all the age groups is not significant. The F value from the ONE WAY ANOVA is 2.538 and p value is 0.082 ( $>0.05$ ). It is concluded that the perception of the employees do not differ much according to their age.

**Table 4: Difference in perception according to the gender**

Gender	N	Mean	Std. Deviation	Z	Sig.
Female	89	34.1910	6.83387	0.580	0.562
Male	111	33.6486	6.34558		
Total	200	33.8900	6.55613		

The finding from the Table 4 indicates that the perception of the female employees (34.1910) is better than male employees (33.6486). The Z score is less than 1.96 and p value is 0.562 ( $>0.05$ ). Hence, it is concluded that the difference in the mean of perception between male and female employees do not differ significantly.

**Table 5: Difference in perception according to the educational qualification**

Educational qualification	N	Mean	Std. Deviation	F	Sig.
UG	77	32.2208	6.74463	4.222	0.016
PG	89	34.8427	5.95418		
Others	34	35.1765	7.01717		
Total	200	33.8900	6.55613		

The perception of the employees is also compared with the educational qualification. The mean of the respondents from others category (35.1765) is greater than other respondents. The result of the F value (4.222) indicates that the perception of the employees who studied under graduation is less. It increases when their education is increased. The employees who have completed professional courses have more perception towards the employer branding.

**Table 6: Difference in perception according to the level of income**

Income level	N	Mean	Std. Deviation	F	Sig.
Low	64	33.6406	6.78787	0.246	0.782
Middle	105	34.1905	6.28964		
High	31	33.3871	7.10717		
Total	200	33.8900	6.55613		

The Table 6 reveals that the perception of the respondents who earn moderately (34.1905) is more than other income group respondents. The F value (0.246) is less than the table value. The p value is 0.782 ( $>0.05$ ). It is understood from the result that the difference in the perception according to the income group is not significant.



**Table 7: Difference in perception according to the level of experience**

Level of experience	N	Mean	Std. Deviation	F	Sig.
Less	45	34.3778	6.10994	1.307	0.273
Moderate	128	33.3828	6.85177		
More	27	35.4815	5.67295		
Total	200	33.8900	6.55613		

The perception is found more with well experienced employees (35.4815) than other respondents. But the F value (1.307) is less and p value (0.273) more than 0.05. Hence, it is clear that the difference in the perception about the employer branding do not differ significantly.

**Table 8: Difference in perception according to the nature of bank**

Nature of bank	N	Mean	Std. Deviation	Z	Sig.
Private	100	36.0100	6.04945	2.914	0.004
Public	100	33.4900	6.18159		
Total	200	33.8900	6.55613		

The perception of the employees working from the private and public sector banks may differ as their recruitment process, work environment, workload and compensation are entirely differ. The result shows that the perception of the employees working in the private banks (36.0100) is found more than the public sector bank employees. The Z value (2.914) shows a significant difference in the mean at 1% level of significance (0.01). It is concluded that the employees working in the private banks consider much about the employer branding dimensions than the public sector bank employees.

## CONCLUSION

When looking at talent in the present day, there is a need to hold on to current personnel in order to maintain economic growth and progress. As a part of this, the companies that operate in the banking and financial industry need to think about how they can keep hold of their employees. Because of the heightened level of competition in the market, organizations are now confronting the difficulty of employee retention as a result of the scenario that currently exists. To maintain a position of preeminence in the industry, it is essential for businesses to staff themselves with knowledgeable individuals. According to the findings of the study, the decision-makers at the various banks need to devise an acceptable branding strategy in order to elicit a greater level of dedication towards the corporate aim. The study concluded that the employees working in the private banks consider much about the employer branding dimensions than the public sector bank employees.

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## **A STUDY ON THE IMPACT OF SERVICE QUALITY AND CUSTOMER SATISFACTION TOWARDS ONLINE TRAVEL AGENCIES**

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### **ABSTRACT**

The significant growth of the Indian travel and tourism industry is being influenced by a number of factors, including rising income levels, increasing affordability, diverse offerings, increasing globalization, changing consumer lifestyles, high internet penetration, growing airline industry, and marketing initiatives, as well as key trends like an increase in working women and senior citizen travelers, multiple short trips, weekend holidays, introduction of innovative travel products, and so on. The number of travelers to India and their frequency of visits are both steadily rising as travel costs continue to drop. The study has been carried out with the following objectives to analyze the nature of the respondents and to study the service quality of the travel agencies. This is an empirical study carried out with 300 travel consumers are selected as sample respondents. The sample respondents are selected using survey method. The collected primary data have been analyzed using SPSS software. Convenient sampling technique was used to analyze the data. The researcher concluded that improving service quality is a crucial aspect of the social responsibility of tourist enterprises, while generating, retaining and expanding consumer loyalty is important for the viability of these businesses

**Keywords:** Service quality customer satisfaction and online travel agencies

### **INTRODUCTION: ONLINE TRAVEL AGENCIES IN INDIA**

The information that a customer needs to make a travel decision is primarily provided and processed by online travel agents (OTAs). On behalf of hotels, airlines, taxis, railroads, and other travel-related businesses, these travel agents market to the public travel-related goods and services. Online travel agencies help clients in a variety of ways by giving them the chance to look at a variety of travel alternatives in one place, including flights, hotels, car rentals, holiday packages, cruises, bargains and locations, maps, and business trips. The services of OTAs go beyond simply letting customers browse airline, car rental, and hotel alternatives; they also let customers buy trip insurance, airport shuttles, and tickets for tours. MakeMyTrip, Yatra, Clear Trip, Expedia, Travelocity, and Travel Advisor are currently some of the top online travel providers in India. When MakeMyTrip launched in India in 2000, the online travel industry experienced a boom at a time when it was still mostly unheard of there. Following that, OTAs began to gain business in India. Through their expertise in their industry as well as through specialized web search tools, OTAs are able to advise customers on the best alternative. Package tours are the OTAs' most profitable service. To entice customers to make online reservations and keep them as clients, online travel agents offered a variety of specials, incentives, and loyalty programmes. OTAs give consumers more control over their research, planning, and purchasing options by offering up-to-date, accurate information on packages and deals. Once the customer has completed the booking process, these organizations ensure that the customer will receive correct services by using an alert system, a troubleshooter, and by advocating on their behalf with the main service provider. Online travel firms have made significant investments to enhance their websites and online presence as a result of the increased public use of the Internet. India is on the verge of another boom in the internet travel sector as more consumers plan and book their travel via online travel firms. The manner that customers connect with brands is also changing as a result

of mobile applications. Indians are adopting smart phones at a rapid rate, and mobile apps are now a significant point of sale. As a result, free apps are being released by OTAs for Android, iPhone, and iPad users. Customer-generated content in the form of travel blogs, reviews in online travel groups, and other similar services have also sparked an original approach to enhance the general consumer experience.

## **THEORETICAL BACKGROUND**

With the collaboration of Internet and travel sectors, online travel market has been flourishing, the predicted number of online travel users will be a greater rise in the future and service quality will also become an essential component of the tourist industry chain. It is an issue of travel firms to think about how to increase the online travel service quality and client pleasure, to gain the earnings considerably. To objectively prioritize the primary driving variables of online travel agent service is of crucial relevance for travel service provider to increase the client happiness. Recent technology advances which adopted from tourist industry have a dramatic influence on the visitor experience. The growing rise of the Internet use, demonstrates that websites include a significant competitive resource for tourist businesses. In this changing climate, it is crucial for online travel firms to thoroughly grasp what parts of the website impact the perceived quality and to develop web services that suit online consumers' demands. The major purpose of the research was to explore the influence of perceived quality on customers' overall happiness, and purchase intentions of online travel agency services. The purpose of this research is to explore the influence of service quality on visitor satisfaction. "Service quality is a popular issue in the literature on which many scholars have undertaken countless investigations". It is a crucial factor that peruses and motivates the clients towards the actions of commerce. In that situation service industry is growing more popular industry here and the tourist industry is an important service focused and customer centric sector which is regarded more crucial than other sectors for increasing service quality. Hotel service has been acknowledged as one of the primary industries which is a rising sector in Bangladesh within the previous decade. For strengthening this industry, hotel management need to conduct long term planning. In this respect, "the attention to service quality from the standpoint of clients is seen as one of the most essential criteria influencing the success of tourism.

## **LITERATURE REVIEW**

Over the past ten years, there has been an increased focus on the idea of service quality as it relates to particular travel and tourism businesses, such as tourist destinations, lodging providers, airline companies, travel agencies, etc (Shahin and Janatyan, 2011).<sup>1</sup> The difficulty in defining the concept of service quality, however, mostly stems from the features that set services apart from physical items (Radomir et al., 2012)<sup>2</sup>. One of the most widely used and oldest approaches to the idea of service quality in the literature, which dates back to the 1980s, states that it represents the customer's assessment of an entity's overall excellence or superiority, an attitude that is similar to but distinct from satisfaction, and that results from a comparison of expectations with perceptions of performance. In the 1990s, the idea was expanded upon with some slight alterations. Most academics at the time defined service quality as the degree to which a service meets customers' wants or expectations (Lewis and Mitchell, 1990; Dotchin and Oakland, 1994; Wisniewski and Donnelly, 1996). The problem of evaluating service quality stands out as a subject of dispute in the literature since defining it is still up for debate. In the past, service quality has been assessed by comparing customer expectations for the service to how they perceive it to be performing; implicitly, if expectations are higher than perceived performances, the service is considered to be of poor quality, leaving customer's unhappy This sums up the major tenets of the SERVQUAL model, which has been the most widely used approach for assessing service quality for many years (Parasuraman et al., 1985)<sup>3</sup>. The model originally included ten quality attributes (tangibles, reliability, responsiveness, competency, courtesy, assurance, credibility, security, access, and understanding), but after a period of refinement, it came to

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<sup>1</sup>Shahin, A. and Janatyan, N., 2011. Estimation of Customer Dissatisfaction Based on Service Quality Gaps by Correlation and Regression Analysis in a Travel Agency. *International Journal of Business and Management*, 6(3), pp. 99-108

<sup>2</sup>Parasuraman, A., Zeithaml, V.A. and Berry, L.L., 1988. SERVQUAL: a multi-item scale for measuring consumer perceptions of the service quality. *Journal of Retailing*, 64(1), pp. 12-40.

<sup>3</sup>Parasuraman, A., Zeithaml, V.A. and Berry, L.L., 1988. SERVQUAL: a multi-item scale for measuring consumer perceptions of the service quality. *Journal of Retailing*, 64(1), pp. 12-40.

include a more condensed set of five dimensions: tangibles (physical facilities, equipment, and personnel appearance), reliability (ability to perform the promised service dependably and accurately), responsiveness (willingness to help customers, and Mohajerani and Miremadi (2012)<sup>4</sup>, argued that client loyalty is a result of both service quality and customer satisfaction, and that perceived service quality might predict customer contentment. Hong Kong (Kuo et al., 2013)<sup>5</sup> and other nations/regions, there are strong correlations between service quality, customer satisfaction, and customer loyalty. Additionally, service quality factors have a positive influence on attitudinal loyalty for travel agencies and other members of the tourism and travel industry's distribution channels. However, the influence of service quality elements on behavioural loyalty hasn't gotten enough attention up until now, particularly when taking into account actual data from Romania. Park et al. (2007) examined how perceived website quality affects a user's desire to use online travel companies using factor analysis, this study has determined six key dimensions: usability, security/privacy, information/content, responsiveness, visual appeal, and fulfilment. The ability to utilize a website quickly and easily was shown to be the most crucial factor in influencing willingness to use, but visual appeal had no discernible effect. According to this survey, one of the crucial factors for determining how well OTA websites perform in terms of website quality is fulfilment.

Tsang, Lai and Law (2010)<sup>6</sup> identified the results of the factor analysis revealed six underlying characteristics of Eservice quality: website functionality, information quality and content, fulfilment and responsiveness, safety and security, appearance and presentation, and customer relationship. Online customers' assessments of their overall satisfaction and their propensity to make additional purchases are found to be highly influenced by the four aspects of website operation, information quality and content, safety and security, and customer connection. Van Riel, Semeijn and Pauwels (2003)<sup>7</sup> stated that services provided by online travel firms include information processing and information exchange activities at three stages of the purchasing process: 1) During pre-transaction services where customers are given promotional information 2) During transaction services, the personal information and payments of the clients are gathered, confirmed, and processed. Information is then transmitted to outside transportation and hospitality companies. 3) During post-transaction services, travel agents give customers any last-minute updates and offer post-purchase support. Grönroos et al. (2000)<sup>8</sup> explored that online travel services should be seen as a combined offer that consists of both essential services (such selling travel packages) and ancillary services that either make the offer more valuable or enable the essential services. Chat rooms, traveller storybooks, search engines, booking services, secure payment methods, currency converters, weather forecasts, health-related information, general country information, and links to other websites are just a few of the auxiliary services. As a result, how a customer perceives various services at different stages of the purchasing process determines the level of service quality.

## STATEMENT OF THE PROBLEM

It was discovered that internet penetration has become one of the most important tools for providing travel-related services to achieve a larger base of real and potential clients and to encourage travel planning and booking electronically among the various online service sectors that researchers had considered. Park, Gretzel and Sirakaya-Turk, (2008) Over 50% of the e-commerce market in India is made up of online travel. Online travel agencies (OTAs) have since grown to be a highly popular substitute for looking for and booking travel-related products. Online travel agencies (OTAs) are now able to compete with traditional offline travel agencies

<sup>4</sup>Mohajerani, P. and Miremadi, A., 2012. Customer Satisfaction Modeling in Hotel Industry: A Case Study of Kish Island in Iran. *International Journal of Marketing Studies*, 4(3), pp. 134-152.

<sup>5</sup>Kuo, N.T., Chang, K.C., Cheng, Y.S. and Lai, C.H., 2013. How Service Quality Affects Customer Loyalty in the Travel Agency. *Asia Pacific Journal of Tourism Research*, 18 (7), pp. 803-822.

<sup>6</sup>Tsang, N. K. F., Lai, M. T. H., and Law, R. (2010). Measuring E-service quality for online travel agencies. *Journal of Travel and Tourism Marketing*, 27(3), 306- 323.

<sup>7</sup> Van Riel, A. C., Liljander, V., and Jurriens, P. (2001). Exploring consumer evaluations of e-services: a portal site. *International Journal of Service Industry Management*, 12(4), 359-377.

<sup>8</sup>Grönroos, C. (1994). From marketing mix to relationship marketing: towards a paradigm shift in marketing. *Management decision*, 32(2), 4-20

by offering better offers to customers because to the rapid expansion of internet access. Online travel agents now face more intense competition than ever before as the business is expanding so quickly. For instance, the majority of airlines now provide their customers with services like hotels, vacation packages, vehicle rentals, etc., that are comparable to those provided by online travel companies. Instead of forming exclusive partnerships with OTAs as they did in the past, some airlines promote special offers on their own websites. Second, a growing number of meta-search websites help users find and reserve travel-related goods and services from numerous online stores at reasonable costs. Third, there is fierce rivalry from established companies like Expedia and Goibibo, as well as up-and-coming businesses like Goibibo.com. On the other side, from the perspective of the customer, the abundance of options available reduces the incentive for a traveler to stick with a particular online travel agency's website. Customers may compare costs and the features of various products thanks to the vast amount of free information available on the websites of different online travel firms. Customers can therefore quickly switch between service providers, which has an impact on the business's profitability. Reichheld and Sasser (1996)<sup>9</sup> revealed that an apparent that a 5% improvement in customer retention would result in a 25–75% increase in earnings. Additionally, it has been discovered that getting new consumers is much more expensive than keeping current ones.

### RESEARCH OBJECTIVES

The study has been carried out with the following objectives

1. To analyze the nature of the respondents
2. To study the service quality of the travel agencies

### RESEARCH METHODOLOGY

This is an empirical study carried out with 300 travel consumers are selected as sample respondents. The sample respondents are selected using survey method. The collected primary data have been analyzed using SPSS software. Convenient sampling technique was used to analyze the data

### FINDINGS

#### 1. Nature of the respondents

The nature and demographic variables of the passengers affect their perception towards the services of the travel agencies. In this view, the nature of the sample respondents is given below.

**Table 1: Demographic nature of the respondents**

	Nature	Respondents	Percentage
Age	Below 25 years	87	29.0
	25 – 40 years	105	35.0
	41-55 years	68	22.7
	More than 55 years	40	13.3
Gender	Male	192	64.0
	Female	108	36.0
Marital status	Unmarried	95	31.7
	Married	205	68.3
Educational status	School level	130	43.3
	UG	100	33.3
	PG	53	17.7
	Others	17	5.7
Occupation	Private employee	66	22.0
	Govt employee	65	21.7
	Business	44	14.7
	House wife	27	9.0
	Agriculture	29	9.7
	Professionals	45	15.0
	Others	24	8.0

<sup>9</sup>Reichheld, F. (1996). „Learning from customer defections. Harvard Business Review, 74(2), 56–70.

Income level	Less	84	28.0
	Middle	100	33.3
	High	116	38.7
Total		300	100.0

The Table 1 depicts that 87 (29.0) respondents are less than 25 years old, 105 (35.0%) respondents are aged between 25 and 40 years, 68 (22.67%) are aged between 41 and 55 years and 40 (13.33%) are aged more than 55 years. 192 (64.0%) are male and 108 (36.0%) are female. The marital status of the respondents shows that 95 (31.7%) are unmarried and 205 (68.3%) are married. According to the educational status, the distribution of the respondents reveals that 130 (43.3%) have studied upto school level, 100 (33.3%) are undergraduates, 53 (17.7%) are post graduates and 17 (5.7%) respondents belong to other categories.

The occupational status indicates that 66 (22.0%) respondents are working in private organizations, 65 (21.7%) are government employees, 44 (14.7%) businessmen, 27 (9.0%) housewives, 29 (9.7%) farmers, 45 (15.0%) professionals and 24 (8.0%) respondents belong to other occupations or no job category. 84 (28.0%) respondents are from less income group (annual income less than Rs. 5 Lakhs), 100 (33.3%) respondents from middle income family (between Rs. 5 lakhs and 10 lakhs pa) and 116 (38.7%) respondents belong to high income group (earning more than Rs. 10 lakhs pa).

## 2. Reliability of data

The study is trying to study the perception of the travel consumers towards the service quality of the travel agencies. For which, 5 dimensions of the service quality (SERVQUAL model) has been used. The tangibility, reliability, responsiveness, assurance and empathy are the 5 dimensions which are observed using 5 point likert scale. Before analyzing the service gap, the reliability of the data using Cronbach's Alpha test. The result is given below.

**Table 2: reliability of data**

S.No	Items measuring	Perceived		Expected	
		Item to Total Correlation	Alpha if Deleted	Item to Total Correlation	Alpha if Deleted
1	Tangibility	0.828	0.911	0.741	0.879
2	Reliability	0.842	0.907	0.757	0.874
3	Responsiveness	0.784	0.918	0.798	0.853
4	Assurance	0.783	0.913	0.771	0.877
5	Empathy	0.824	0.921	0.778	0.815
Cronbach's Alpha Reliability Coefficient		0.928		0.879	

The result of the reliability shows that the values of Cronbach's Alpha test for all the dimensions and the overall for all the statements are more than 0.7. It shows that the reliability of the data is justified and can be used for further analysis. The value of the Alpha if deleted for all the dimensions are less than the overall Cronbach's Alpha value for perception and expected service quality. Hence, there is no need to remove any of the dimensions considered in the study. The service quality gap is measured as below.

## 3. Service quality of travel agencies

The service quality gap is measured with the help of SERVQUAL model using its 5 dimensions. The gap is measured by comparing the perceived service quality with the expected service quality. The significance in the gap is tested with the help of t test. The result is given below.

**Table 3: Service quality of travel agencies**

Dimension	Perceived (P)		Expected (E)		Gap (P-E)	t value
	Mean	SD	Mean	SD		
Tangibility	2.6317	0.40640	4.0156	0.33129	-1.3839	-46.637*
Reliability	2.3256	0.34041	3.4239	0.29871	-1.0983	-43.564*
Responsiveness	2.4033	0.26957	4.1338	0.33092	-1.7305	-70.571*
Assurance	2.6326	0.33744	4.1956	0.29507	-1.5630	-61.911*
Empathy	2.4713	0.42004	4.3513	0.39786	-1.8800	-56.670*

The Table 3 shows that expected service quality in 5 dimensions are more than the perceived service quality. Among the expected service quality dimensions, empathy (4.3513) and assurance (4.1956) are more than other dimensions. It indicates that the travel passengers are expecting more on the empathy and assurance. The dimensions of the perceived service quality show that the assurance (2.6326) and tangibility (2.6317) are higher than other dimensions. It is understood that the two dimensions have fulfilled better than other dimensions.

The service gap (difference between the perceived and expected service quality indicates that the gaps for all the dimensions are negative. It means the expected service quality is more than the perceived service quality of the travel agencies. The satisfaction of the respondents of towards the service quality is found not up to the mark. The significance from the t test result shows that the gap is significantly high. The t values are greater than the critical value. Hence, it is concluded that the service quality has wide gap between the expected and perceived service quality. The satisfaction of the travel consumers towards the service quality is not good. The perceived service qualities for all the dimensions like tangibility, reliability, responsiveness, assurance and empathy are no upto the level of expectation of travel consumers.

## CONCLUSION

The general conclusion that can be drawn from our study is that the performance level of services provided by traditional/offline travel agencies plays a major role in generating and maintaining their customers' behavioral loyalty, which, in the long run, is important for the sustainability of the business, especially in a sector which is very sensitive to macroeconomic dynamics. Any travel agency manager who tries to underestimate the value of the real agency client experience, while assuming that loyalty towards the agency is generated largely from the tourism/travel destination experience, is obviously erroneous. Even if the notion of loyalty has been a crucial problem in tourist destination marketing for the past decades, the topic of customer loyalty in the case of travel agencies appears to be less addressed in the specialist literature. The present research is part of a wider study focused at examining the influence of corporate social responsibility (CSR) on consumer loyalty. The researcher concluded that improving service quality is a crucial aspect of the social responsibility of tourist enterprises, while generating, retaining and expanding consumer loyalty is important for the viability of these businesses.

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