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A STUDY OF CONSUMER PREFERENCE TO E-BANKING

Dr. Jaideo Lanjewar
Associate Professor, G.W. College, Nagdhid, Chandrapur, India

ABSTRACT

Customer satisfaction is the most challenging task in the every organization. E-banking is one of the major technologies currently being used in the all banking industry the customer satisfaction which leads to customer retention is an important element in banking strategy. This study focused on E-banking and customer satisfaction. The study aimed at assessing e-banking strategies on customer’s satisfaction in banking industry. The study recommended that much need to be done in the area of creating awareness about E-banking products and services.

Keywords: Bank; E-banking

INTRODUCTION

It is necessary for banks offering online services to confront a different kind of loyalty, the loyalty being derived from the relationship and electronic customer has with electronic commerce, as a great deal of a customer will do their banking mainly if not completely on the internet to research these electronic customers and to satisfied them, in order to make them loyal, will impose a majors challenges.

It is important that the bank provide customer with high quality services to survive in the highly competitive internet banking industries. For these bankers first means to understand the attitude that customers used to judge service quality and monitor and enhance quality dimension in the traditional banking environment, but relatively little literature has investigated service quality attributes in internet banking industries and the relation with customer satisfaction. More research is needed to determine the dimension of e-service quality and these studies also need to be conducted for different type of e-services.

REVIEW OF LITERATURE

The research was based on the Kano model theory, which is a theory of product development and customer satisfaction which was developed in the 80s by Professor Noriaki Kano. This classifies customer preferences into five categories: attractive, one dimensional must-Be, in different and revised. The recently launch simple e banking product appeals and offers increase customer’s satisfaction as compared to the original internet banking earlier lunched. This follows the laid foundation for a new approach to modelling customer satisfaction as propagated by Kano and his connceagues as seen in their theory.

Burr describes electronic as an electronic connection between the bank and the customer in order to prepare, manage and control financial transaction. Lustik described electronic banking as a variety of the following platforms: internet banking, telephone banking, TV-based banking, mobile phone banking and pc banking. The benefited of these 21 century banking are numerous. Its introduction has increased the potential of business to attain greater productivity and profitability, as trading and transaction, which would be carried out via communication network, would be a lot faster and distance would no longer be barrier to effective transactions.
According to (Lindgaard and Dudek, 2003) there has been growing interest in user experience, which can be seen as much larger concept than user satisfaction. User experience has becomes an important factors in e-business because the end users often pays for the majority of new product and services, which indicates that new product characteristic such as perceived usability, usefulness appeal and value of money match or exceeded with user expectation towards the product. From these perspectives, assessing the users experience is essential for many technology products and services.

OBJECTIVES

1. To find out the effect of system Quality of E-Banking on customer satisfaction.
2. To evaluate the role of information Quality of E-Banking on customer satisfaction.
3. To analyse the contribution of service Quality of E-Banking on customer satisfaction.

RESEARCH METHODOLOGY

The study used a descriptive research design. A descriptive design is a process of collecting data in order to answer the questions of the current status of the subject under study and hence works consider propriety for this study. Its advantages that it is used extensively to described behaviour, attitude, characteristics and values. It involves a field survey where we goes to the population of interest to ask certain issues about the problem under study. It is aim to gather data without any manipulation of we context, where we has got no control over the variables.

The sample in this study is 155 respondents selected from three nationalized banks from south Nagpur region. These respondents were selected by use of stratified sampling.

The main data collection instruments that were used to collect data were open ended questionnaires.

The primary data was used in the study collected from questionnaires and observation.

DATA ANALYSIS

<table>
<thead>
<tr>
<th>Category of respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior citizen</td>
<td>20</td>
</tr>
<tr>
<td>adult</td>
<td>26.7</td>
</tr>
<tr>
<td>youngsters</td>
<td>53.3</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Different Level</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate</td>
<td>17</td>
</tr>
<tr>
<td>Diploma</td>
<td>28</td>
</tr>
<tr>
<td>Bachelor degree</td>
<td>43</td>
</tr>
<tr>
<td>Master Degree</td>
<td>12</td>
</tr>
</tbody>
</table>

It was found out that 17% of the respondents interviewed had certificate level of education 28% were diploma holders, 43% were bachelors’ degree holders while 11.9% were Masters level. It was noted that all levels were represented, however the diploma and bachelor’s degree category took the highest percentage of 71%.

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Used</td>
<td>86</td>
</tr>
<tr>
<td>Never Used</td>
<td>14</td>
</tr>
</tbody>
</table>
Above table shows that 86% of them had used e-banking services while only 14% had never used e-banking services. The reports shows that respondents felt that e-banking service were important in daily transaction.

**E-Banking & Customer Needs**

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meet The needs</td>
<td>88</td>
</tr>
<tr>
<td>Not meet the needs</td>
<td>12</td>
</tr>
</tbody>
</table>

Researcher wanted to know whether e-banking meets customer needs. The study shows that 88.1% of e-banking services meet the customer needs while 11.9% felt that it does not. This meant that majority of the respondents felt that customer needs have been met through the e-banking despite the smaller percentage that felt otherwise.

**Service Quality**

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Good</td>
<td>45</td>
</tr>
<tr>
<td>Good</td>
<td>45</td>
</tr>
<tr>
<td>Fair</td>
<td>10</td>
</tr>
</tbody>
</table>

The study shows 45% very good, 45% is good & 9% is fair according to the various respondents, this means that the level of understanding of e-banking services is very influential in giving the respondents satisfaction.

**Customer satisfaction**

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent</td>
<td>38</td>
</tr>
<tr>
<td>satisfactory</td>
<td>43</td>
</tr>
<tr>
<td>Fair</td>
<td>19</td>
</tr>
</tbody>
</table>

From the above table it shows 38% & 43% respondents find e-banking services excellent & satisfactory respectively & 19% service fair. This indicates that respondents commonly find Electronic banking services to them.

**RECOMMENDATIONS AND SUGGESTIONS**

Based on the finding of this research, it is recommended that:

Much need to be done in the area of creating awareness about the availability of electronic banking product and services, how they operate and their benefits too. Bank and mobile phone service providers should organize public exhibitions and talk shows and make products accessible to all customers. In addition, they should improve their service delivery to justify the benefits of electronic banking product and services.

The government should provide adequate regulatory framework that will ensure customer protection, and security of transaction. That way, bank customers and mobile phone banking users confidence in electronic banking would be secured.

**LIMITATIONS**

- The study is limited to south Nagpur region only
- The sample size is limited
- The period of data collection is only one month.
CONCLUSION

E-banking has a strong impact on the overall banking performance and as a whole on the banking industry. The electronic banking has improved the bank customer relationship by rendering effective service and customer can now have access to their account outside working hours to make withdrawal at the click of a button.

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PILFERAGE AND THEFT IN AIR CARGO OPERATIONS: IMPLICATIONS AND REMEDIES

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ABSTRACT
Cargo handling is an integral part of export and import transactions. It involves enormous money value products, either big or small in volume, for quick transfers. Cargo handling process abounds with checks and verifications but pilferage and theft occur pervasively and they spread their tentacles everywhere, both seen & unseen and sung & unsung.

Keywords: Air Cargo

INTRODUCTION
Pilferage is an act of petty theft and denotes volume. The word is described in Indian Railways Act. Theft is an act of stealing, robbery, larceny and it denotes volume and serious nature. Indian Penal Code defines theft “as whoever intending to take dishonestly any movable property out of the possession of any person without that person’s consent, moves that property in order to such taking, is said to commit theft.”

Though the terminology used is both mild and strong, the result of theft of cargoes in cargo handling produces a lot of vicious circles that affects Shippers, Manufactures, Freight Forwarders, Handling Agents, Airlines and Consignees. But still these perils do not get much attention and in majority of cases, they are covered up completely, though it results in loss of money and damage in business and reputation.

This problem of cargo theft and pilferage very much exists throughout the global supply chain and makes it a very difficult task. The below picture shows the increasing theft and pilferage globally. (Source: https://srnxkb.wikispaces.com/Theft+-+Cargo)
India is already on the elevated scale and becoming increasingly noted for large-scale theft, pilferage incidents and warehouse robberies. While these trends are continue to be of concern for Shippers.

**Background**

Theft and pilferage are of good shappen everywhere from the consigner to consignee. Normally, we can say that, it happens in the warehouse, during loading/unloading of truck, cargo ramp area, inside airport cargo warehouse and while palletization, Unit Load Device staging area, cargo release area, cargo towing area and even inside the aircraft while loading.

The theft ranges from cutting a hole in and taking out a few pieces that may be of General cargo, Valuable cargo, vulnerable cargo, Electronic; IT related goods and even Perishable cargo. In pilferage cases, it is not taken notice of and forgotten and in theft cases, though a lot of commotions and emotions are caused, the case are buried silently unseen, unsung.

For instance here are some of the incidents which have been brought to limelight “Millenium postdated 17.09.2014 goods worth crores stolen from airport cargo in two years” and “Times of India dated 16.05.2014 - Cargo theft put Kolkotta Airport to Shame “

**Assessment**

An assessment was carried out based on the discussion with shipper on the effect of theft / pilferage on air cargo handling. Many shippers could only verbally express their feelings about this issue and could not provide written data due to their job limitations and confidentiality reasons. Here are some of their comments

1. Most of the shippers say that there are many unknown reasons for losses due to theft and pilferage and most of them have been untraceable
2. Many shippers are dissatisfied with the air freight terminal security
3. Some say that non-compliance of regulation results in poor security conditions in cargo terminals
4. A majority of the shippers use deceptive techniques to protect the high value goods from theft
5. All shippers agree that the rise in such incidents may only bring bad reputation for the Country and its Airports
6. Even though theft/pilferage rates are high and a threatening factor, they do not limit the growth of Air Cargo Industry.

**Consequences**

The material stolen is a loss to the owner of property, loss in compensation to the cargo handlers and loss to the final customer. The consigner repudiates the cargo handlers and the consignee repudiates the consigner. Addl D.G Airport said “ increase in theft of package is a cause of concern as it has security implications. It does not give only give a bad name to the Airlines, but to the Airport as well. It has a direct impact on the Overall Aviation security environment” (Indian Express Dated 24/05/2014)

According to a data available with CISF (Central Security Industrial Force) in 2011 - 55 cases, in 2012-55 cases, in 2013- 68 cases and in 2014 up to May 58 cases of package thefts have been reported. In the events Loaders, Airline staff or Ground Handling staff were involved in the criminal activities on the Airport Premises (Indian Express dated 25/05/2014).

**Why Thefts and Pilferages are unseen and unsung**

By analyzing the theft pattern and modus/operandi, we can presume that the theft ranges from circumstantial pilferage to organised crime. The organized theft is, it seems, committed and covered up with inputs from the inmates. The knowledge of consignment value, place, position etc is analyzed
and the scheme is executed. It appears that the ghost thieves’ presences are everywhere and in every corner but no one takes care to bust them, but with reasons, the reasons are felt but unspoken.

Reasons

While we are fondling with the ideas of do’s and don’ts, let us chart it out the probable reasons:

1. In some incidents, unauthorized substitutions of goods at last minute add up the mess and it is being done with the connivance of staff.
2. Infiltration of other staff to sensitive areas in one pretext or other happens frequently and in uncontrolled proportions. A Lackadaisical and lethargy attitude or wanton act of the staff propels this enigma.
3. Contract workers who have no training, no basic knowledge of cargo handling and security are prone to enticement.
4. Lack of training to regular employees on safety and security. Numerous programs are conducted by statutory bodies like, IATA, AAI, Handling Agent, Airlines etc. but they not used properly.
5. Goods are sometimes, artificially flooded at a single time and at a particular place so as to choke the process. This uncontrolled flow of goods leads to improper handling of goods and also leads to theft and pilferage.
6. Sample testing often leads to inaccuracy and opens the flood gates of corruptions, nepotism and free for all.
7. Paucity of staff in examination and inspection process, nullify the split of statuary obligation and compliance.

RECOMMENDATIONS

1. High resolution and advanced CCTV should be installed at every vital point at cargo terminal.
2. Frisking of staff at every point of ingress and egress
3. Access Control and bio-metric system should be installed in the sensitive areas.
4. Covert tracking device should be embedded in Vulnerable, Valuable shipments.
5. More security personnel should be deployed with ample power and equipment’s
6. Airport policing authorities should have independent prosecution powers without depending on other Authorities.
7. Third party inspections and auditing should be conducted at regular intervals.
8. Independent Airport Intelligence Programme may be implemented

CONCLUSION

In this era of scientific invention advancements, the crime of pilferage and thefts in cargo handling should be encountered with advanced equipment, planning, execution and penalization. Awareness among the stake holders should be created so as to eradicate the loss and damage in reputation of Cargo Handlers, Airports and of the Country.

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ABSTRACT

Income through the national Air Cargo Carriers is one of the best ways to boost up the economy of the country but in India, most of the cargos are being carried by Foreign Cargo Carriers, causing an impact in the economy. This paper shows a comparison the business done by Foreign Cargo Carriers against the Indian Cargo Carriers, the factors affecting the sustainability of Indian Cargo Carriers, the impact made in the Indian Economy and recommendations to revive the Indian Cargo Carriers and profiting the Indian Economy.

Keywords: Belly Cargo; Cargo Freighter

INTRODUCTION

India is strategically located peninsular country, connecting both the West and the East. Not only an easy place for ships to stop and dock but also a place for aircraft to fuel a transfer goods.

India is one of the populous countries (126.8 Crore population) with a galloping economy. The economy of India is the tenth largest in the world by nominal GDP and the third largest by Purchasing Power Parity (PPP). India is one of the G2 major economies.

India exports approximately 2154533 million USD worth of goods to foreign countries, of which airborne export is 20%. India is the second fastest growing air cargo market after Middle East (IATA-PTI, 22.10.2014). India would be among the ten largest international freight market by 2018, led by the USA and followed by China. It is expected that India’s International cargo will grow 5% every year (PTI, 10.04.2006).

Realizing the importance of the International Cargo Revenue, the government has opened up a plethora of schemes and policies to develop and promote air cargo sector. The Open Sky Policy of the Government aim at among others, creating more airports under PPP mode as international air cargo hubs developing Regional connectivity etc

India has now 132 airports of which 27 are International airports (Source: AAI). Kerala has the highest number of International Airports (5) followed by Maharashtra (4). Private airports are at Kochi, Bangalore, Mumbai, Hyderabad, Nagpur and at Delhi.

BACKGROUND

The International airports are located at strategically and geographically significant areas so as to serve their hinderlands and their products and their produces. They are developed on the basis of increasing economic developments, changing the role of cargo movements, trade requirements, resource availability and also of global scenario. It is aimed at avoiding unnecessary shunting of cargoes to far off airports, at avoiding cost escalation and also aimed to decongest airports.

The Governments aim of developing more airports is almost achieved, but at the expense of public money and land. The governmental body AAI, which is controlling the airports, expects strong...
revenue from airports by way of Air Cargo Operations. But major hurdles like inadequate infrastructure in airports, slot issues, airport congestion, inability to handle out sized cargo holes, lack of professionals to manage the ever competitive airports etc., are often spoken of but always neglected.

One of the very important issues seen but unseen is that major chunk of revenue from India’s cargo are seized by foreign airlines. We develop airports with our money but the benefit is reaped by foreign airlines. This is due to lack of will, insight and professionalism and due to inefficiency and callous attitude.

The policies are out dated, untested and cruel to operators. Unable to control the dwindling government controlled airports, the PPP mode is taken up and all the important international airports are privatized with more and more high density traffic in airport going into the hands of private players, AAI is looking at focusing on the cargo segments to boost its revenue. It plans to use its own passenger terminals by converting them into cargo facilities (PTI, 23.03.2015). If it is so, the benefit will be reaped by foreign airlines only.

**OBJECTIVE**

To study the comparative Air Cargo Uplift from Indian Airports

**ASSESSMENT**

A study of the pattern of foreign airlines’ operations and cargo lifting in India reveals something unexpected. The following table shows the pattern of export from Indian Airport to foreign countries

<table>
<thead>
<tr>
<th>Airport</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mumbai</td>
<td>Europe, USA, Far East, Middle East, Africa, New Zealand, and Egypt, CIS countries</td>
</tr>
<tr>
<td>Delhi</td>
<td>USA, Europe, Australia, Africa, South America, Far East and Middle East and CIS countries</td>
</tr>
<tr>
<td>Chennai</td>
<td>USA, Europe, Africa, Middle East, Far East, Australia &amp; New Zealand and CIS Countries</td>
</tr>
<tr>
<td>Hyderabad</td>
<td>Africa, CIS countries, Far East and Middle East and South American points.</td>
</tr>
<tr>
<td>Bangalore</td>
<td>Germany, UK, USA and Philippines, Far East, Middle East and Australia</td>
</tr>
<tr>
<td>Ahmedabad</td>
<td>USA and Chile</td>
</tr>
<tr>
<td>Cochin</td>
<td>Romania, Middle East, Japan and Australia</td>
</tr>
</tbody>
</table>

The volume of air cargo exported as belly cargo through the following airports

<table>
<thead>
<tr>
<th>Airport</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mumbai</td>
<td>29.8%</td>
</tr>
<tr>
<td>Delhi</td>
<td>34.8%</td>
</tr>
<tr>
<td>Chennai</td>
<td>24%</td>
</tr>
<tr>
<td>Bangalore</td>
<td>39.3%</td>
</tr>
<tr>
<td>Kolkata</td>
<td>65.3%</td>
</tr>
<tr>
<td>Hyderabad</td>
<td>46.4%</td>
</tr>
</tbody>
</table>

All the above International airports are fully used by foreign airlines and air cargo uptake is almost full. India exports to almost to every county in the world. By value important countries are And also Kuwait, France, Thailand, Malaysia, Korea etc

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>12.4193%</td>
</tr>
<tr>
<td>Europe</td>
<td>10.3681%</td>
</tr>
<tr>
<td>China</td>
<td>4.7538%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>4.0546%</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>3.8773%</td>
</tr>
<tr>
<td>Serbia</td>
<td>3.6258%</td>
</tr>
<tr>
<td>Japan</td>
<td>2.1655%</td>
</tr>
</tbody>
</table>
All these international destinations are covered by foreign airlines but not by India based airlines. All the revenue from cargo and passenger traffic are grabbed by foreign airlines at the cost of Indian revenue.

The table below shows the pattern of coverage of foreign destinations from Indian cities by foreign airlines.

<table>
<thead>
<tr>
<th>Destination</th>
<th>Origin</th>
<th>Indian Carrier</th>
<th>Foreign Carrier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangkok</td>
<td>Kolkatta</td>
<td>6E, SG</td>
<td>TG, CX, AK</td>
</tr>
<tr>
<td></td>
<td>Chennai</td>
<td>6E, SG</td>
<td>TG, MH, SQ, EK, EY, AK, TR</td>
</tr>
<tr>
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<td>Hyderabad</td>
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<td>UL, Ek, EY, QR</td>
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</table>
Source: Airlines websites: Indian Based Airlines AI-Air India, 9w-Jet Airways, 6E-Indigo, SG-Spice Jet, G8-GoAir


For example, Hong Kong that imports 4.0546% of our export is not covered from Kolkatta, Chennai, Hyderabad, Bangalore by Indian Carriers but by Cathay Pacific Airlines. Likewise, Frankfurt, London and Paris are except Air India and Jet Airways, not covered by Lufthansa, British Airways & Air France. Singapore except from Chennai and Trichy is not covered from other places by Indian Carriers but by Silk Air and Singapore Airlines

Majority of the private Indian Airlines concentrate only on the middle east destinations, not on Europe or Eastern Countries (except Indigo & Air India).

With 34 aircraft Spice Jet has started international operations in a small scale. With 91 aircraft Indigo started operations to Bangkok & Singapore recently. Jet Airways with 92 aircraft and Air India 105 aircraft cover western destinations to some extent

Air Asia with 22 aircraft, Sri Lankan Airlines with 24 aircraft, Silk Air with 29 aircraft cover every South Indian airport with Malaysia, Singapore and Colombo substantially. Thai Airlines with 103 aircraft, Singapore Airlines with 108 aircraft and Cathay Pacific with 144 aircraft pervade every where in Asia and Europe

By evaluating the above fact the slow, much cautious and low profile operations of India based airlines cause concern!

RECOMMENDATIONS

1. Highly recommended to modify the Rule 5/20.

2. A committee should be formed to analyze the woes of private airlines. Anomalies and difficulties encountered by them should be rectified within stipulated time. Forecast of future developments in the industry should be studied in a practical way and schemes should be implemented in consonance with western thoughts like 100% screening of cargo etc

3. India has 1 aircraft for every 2.89 million people which is very minuscule, comparing with western countries. Steps should be taken to increase the number of airline/ aircraft.

4. Nowadays air travel is not a luxury but a necessity. So air travel industry should be given more priority and care.

5. The new scheme in vogue to allow NSOP to operate schedule commuting or shuttle services should be extended to schedule operations

6. Multi-departmental (Govt of India, BCAS, Foreign Investment Promotion Board, Air Defense, Customs, Income Tax, Local Authorities) interceptions grossly retard the growth of aviation development. Regulatory hurdles haunt the operators. Procedures should be simple and in consonance with International Standards.

7. The management of terminal spares should be exemplary. Normally, capacity analysis is not done. If it is done not followed seriously or vigorously. The Rule of “Use it or Lose it” should be followed strictly. It is alleged that the space utility in Indian terminals is pathetically poor.

8. The slot allocation handled by AAI should be meticulously planned and executed without giving room for any complaint. A monitoring system should be administered.

9. In cargo handling, the custodian may be either an independent 3rd party as in the west or the terminal owner like AAI. The custodian should not be another airlines like Air India. It would
create a lot of chaos and ill feeling among the competitors due to this monopoly.

10. The Dwell time for export cargo in India is generally 2 days against 8 to 9 hrs in foreign airports. For import cargo it is 4 to 5 days as against 6 hrs in foreign airports. The official Dwell time in India is 5 working days. The Airport Infrastructure has to be advanced and modernization appropriately.

11. Cargo handling should be declared a priority sector and the process should be handled on 24X7 hrs basis without holiday and without break. Shortage of staff or absence should be banned (avoided)

12. Too many and cumbersome procedures in cargo handling escalates cost in operation. For e.g. :- in export procedure in terminals, the documents concerned are shunted among AAI, Airlines, Export Freight Officer, Escort Officer, Station Duty Officer, Preventive Officer of Customs Department, while the aircraft is waiting to take off. If any one of this chain breaks the whole process is stopped abruptly and the aircraft cannot fly. In-case of a Passenger flight, it flies without cargo. Demurrage follows and destination schedule also breaks. Every delay in the process is life threatening occasion for an airline.

13. All documentation and clearances should be done online, with time bound performance, EDI - Electronic Data Interchange Facility should be strengthened.

14. Manpower development in airports should be given priority. It is often accused that India lacks qualified professionals to handle export operations. Youngsters with specialized qualification should be recruited and new blood should be pumped in.

15. High quality R&D center should be started.

16. Cost reduction measures should be taken.

**CONCLUSION**

1. The existing airline to be encouraged to operate more services with more aircraft to foreign cities

2. Encouragements and incentives should be given to start new airlines both passenger as well as cargo

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THE ROLE AND PERFORMANCE OF COTTAGE AND SMALL SCALE INDUSTRIES IN INDIAN ECONOMY

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ABSTRACT
The small scale industrial sector plays a vital role in the growth of the country. It contributes almost 40% of gross industrial value added in the Indian economy. It has been estimated that millions of investment in fixed assets in the small scale sector produces 4.62 million worth of goods or service with the approximate value addition of ten percent points. The small scale sector has grown rapidly over the year. The number of small scale units has from estimated 0.87 million units in the year 1980-81 to over 3 million in the year.

Keys words: SSI, MSME; GDP; Employment

INTRODUCTION
Expansion Of SSI Sector And Its Share In Industrial Production: The total number of unit in the ssi sector stood at 1052.2 Lakh in 2001-02 and this number rose to 123.4 lakh in 2005-06 the total number of MSME units in 2006-07 was 361.8lakh and this number rose to447.7 Lakh in 2011-02 was Ru.2,82,270 crore and this rose to, 497,842 crore in 2005-06 output of MSME unit in 2006-07 was Ru.1357 383 crore and this rose to Rupee 18,34,332 crore in 2011-12 the MSME sector contributes about 8%of GDP and about 45% of manufactured output.

Employment Generation: The SSI sector employed 249.3 lakh people in 2001-02 and this number rose to294.9 lakh people in 2005-06 Employment MSME sector stood at 805.2 lakh in 2006-07 and this increased to 1012.6 lakh in 2011-12 With in the manufacturing sector itself small and decentralized sector contributes about four-fifths of manufacturing employment in India. Given the acute unemployment problem in India, creation of employment opportunities will depend crucially on the development of small scale and cottage industries. This would be clear from the fact that while employment in the factory sector as a whole (darqe scale, medium – scale and small – scale) increased by only 2.21 percent per annum over the period 1972 to1988 employment in small scale sector area at the rate of 5.45 percent per annum. As for as future prospect are concerned , the rural non firm sector accounting for about 22 percent of rural employment can play a crucial role the further expansion of employment opportunities in the rural areas.

Efficiency of Small – Scale Industries: While some studies have pointed out that small scale industries are more efficient, others point out that large scale industries are more efficient. One of the earliest studies on the relative efficiency of small scale industries in India was undertaken by dharandlydall. They concluded that modern small scale industry is fairly capital in tensive; that is these units do not

Available online on www.saiompublications.com
generate more employment per unit of capital than large-scale industry. Similar conclusions were reached by Sandesara in a study conducted for the period 1953–58. Sandesara used CM data for 28 industries and found that for a given volume of neither investment nor produced more output compared to large-scale units. In his paper published in 1988 Bishwanathgoldar compared for 37 industries at the three-digit level the technical efficiency of small scale and large scale industries for the year 1976–77. The estimated relative total factor productivity of small scale industries during the period 1980–81 to 1994–95 is greater than on in all years excepting 1987–88 when it was 0.53 suggesting that the all India level, the small scale sector is more efficient than the large scale sector.

While discussing the issue of efficiency it is also important to keep the employment potential in view in a labour-supply economy like India.

Mobilisation of Capital And Entrepreneurial skill: The small scale industries are at a distinct advantage as far as the Mobilisation of capital and entrepreneurial skill is concerned. A number of entrepreneurs are spread over small town and village of the country obviously large scale industries cannot utilize them as effective as the small scale and village industries distributed over the entire length and breadth of the country. Similarly large scale industries cannot mobilises the saving done by people in areas for flung from the urban but this task can be effectively accomplished by selling up a network of small scale and cottage industries in addition a large number of other resources spread over the country can be put to an effective use by small scale and cottage industries.

Less Industrial Disputes: Supporter of small scale industries frequently argue that large scale industries are ridden with more industries disputes than the small-scale industries. Because of tension in the relation between worker of large-scale industries frequently face strikes and lockout against this the small scale industries are free from such hazards and there is consequently less loss of output however, this viewpoint is not totally correct. In the case of cottage industries the questions of disputes does not arises at all since the main form of labour in these industries is so far as mentioned.

Small and Medium-Scale Industries / Enterprises: The small-scale industries sector plays a vital role in the growth of the country. It contributes almost 40 per cent of the gross industrial value added in the Indian economy. It has been estimated that the turn over to capital employed is approximately 4.62. The small-scale sector has grown rapidly over the years. The number of small-scale units has increased from an estimated 0.87 million units in the year 1980–81 to over 3 million in the year 2000. The small-scale industry sector in India creates largest employment opportunities for the Indian populace, next only to agriculture. The SSI sector plays a major role in India’s present export performance. About 45 per cent to 50 per cent of the Indian exports are contributed by the SSI sector.

The role of small-scale and industries in India’s industrial and economic development can be obtained from the information contained in table 1.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number Of M S M E (Inlakh)</th>
<th>Fixed investment (Rupee crore)</th>
<th>Production (Rupee crore)</th>
<th>Employment (no. in lakh)</th>
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</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>105.2</td>
<td>1,54,349</td>
<td>2,82,270</td>
<td>249.3</td>
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<td>2002-03</td>
<td>109.5</td>
<td>1,62,317</td>
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<td>2003-04</td>
<td>114.0</td>
<td>1,70,219</td>
<td>3,64,547</td>
<td>271.4</td>
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<td>2004-05</td>
<td>118.6</td>
<td>1,78,699</td>
<td>4,29,796</td>
<td>282.6</td>
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<tr>
<td>2005-06</td>
<td>123.4</td>
<td>1,88,113</td>
<td>4,97,842</td>
<td>294.9</td>
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<td>2006-07</td>
<td>361.8</td>
<td>8,68,544</td>
<td>1,351,383</td>
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<td>2007-08</td>
<td>377.4</td>
<td>9,17,437</td>
<td>1,435,179</td>
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<td>2008-09</td>
<td>393.7</td>
<td>9,71,407</td>
<td>1,524,235</td>
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<td>2009-10</td>
<td>410.8</td>
<td>10,29,331</td>
<td>1,619,355</td>
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<td>2010-11</td>
<td>428.8</td>
<td>10,94,893</td>
<td>1,71,553</td>
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<td>2011-12</td>
<td>447.7</td>
<td>11,76,939</td>
<td>1,834,332</td>
<td>1012.6</td>
</tr>
</tbody>
</table>

Source: Government of India, Ministry of MSME
OBJECTIVES

1. To Find out the impact of small scale industry in Indian economy
2. To enquire about the growth rate of small scale industry over GDP and NNP at factor cost
3. To relate the social economic development of country with all small scale industry
4. To find out that how can a economy play a majestic role for growth and development of these cottage and small scale industries

CONCLUSION

In this way small scale industries play an important role in the economy as well growth of country. Most of the time India progress with the help of these industries and small scale industries as without including these industries and small scale an cottage we cannot progress in future and decades.

REFERENCES

ABSTRACT

Today IT plays an important role in every walk of human survival. Due to the rapid growth in the information processing system, it can easily serve as a database for various HR functions like Human Resource Planning, Training and Development, Performance Appraisal, etc. Innovative HRIS is the recruitment, selection, retention, development, and utilization of labor resource in order to achieve both individual and organizational objectives. Now-a-days, the IT Company needs to manage the entire job seeking process in a faster manner. This paper has made an attempt to overcome the defects in some HRIS package and construct the new package in user friendly manner. Finally, this paper develops a model that explains the relationship between the job seekers and the HR managers to evaluate the performance of the individual in different organizations by the effect of HRIS on strategic HR tasks and job roles.

Keywords: Role of HR in IT; Importance of HRIS; Job Seekers Outcomes; Strategic of HR Tasks

INTRODUCTION

There are a lot of roles and features that human resource (HR) personnel have to carry out and provide. An organization can implement HRIS computer software offers to aid HR personnel carry out and supply their roles and duties a lot more properly and efficiently. In fact, HRMS (Human Resource Management Systems) technique deals have radically changed the appearance of the human resource department, enabling it to focus on the more essential aspects and nevertheless be able to have room for requests from other departments in the organization. A single of the most considerable improvements that HRMS methods have introduced to firms is it has enabled a lot of them to turn out to be far better in recruitment.

In the long-ago, organizations depended a lot on job postings to appeal to applicants to vacant positions. These days, HR personnel can turn over to social recruiting to support improve the complete recruitment method. Most HRIS software program offers have contain this variety of characteristic but what human resource managers must to keep in head is there are points to consider ahead of they move on to social recruiting. Before possessing social networks integrated into an HR management program, human resources managers need to first see to it that the organization has beforehand produced a branded corporate profile in social networks.
To get this job accomplished, the HR staff should operate jointly with the advertising and marketing division. In this way, the HRIS computer software package can be up to date with essential organization details that are also getting reflected in social media networks. There must also be a group of HR personnel assigned to keep track of and track people who express interest in certain job posting or vacancies and they need to input these pieces of information into the HRMS technique.

This basically signifies that other than relying on career postings on social networks, HR personnel should also engage in conversations and be ready to answer questions. There can be essential information gathered from these conversations that can in turn be stored into the HR information program. These can then be utilized later on, specifically in reviewing the recruitment method and how it can be made much better.

There are many other points to imagine about but the base line is HRIS software packages which are capable of monitoring and monitoring recruitment details that can be located in social networking websites. In a globe wherever the World Wide Web plays such an essential role in communication, it will not be long awaiting companies will finally value the worth of social recruitment and HRMS method packages.

Integrated HR Information Systems (HRIS) have a profound effect on firms that implement them. Most often these firms are replacing several related systems, such as a personnel database, payroll system and benefits system, with one HRIS that does it all. Many people focus on the improved reporting and processing that will be realized from the traditional system, and those are the reasons most firms choose to implement the HRIS. But what many people don’t focus on is that the HRIS will most likely affect the company much more deeply – it will challenge the operating structure and principles of all the HR-related departments.

An integrated HRIS results is a drastically different environment than a bunch of related but separate systems. The hub concept of a centralized data store inherent with an HRIS demands integrated work processes for consistently managing that store. The two attributes – centralized data storage and integrated work processes – will affect the company in ways most managers don’t expect.

**Human Resource Information System (HRIS)**

“A human resource information system (HRIS) is software containing a database that allows the entering, storage and manipulation of data regarding employees of a company. It allows for global visualization and access of important employee information”.[6]

**Role of HR Executives**

Human Resources executives manage the administrative tasks that involve employee compensation, training, selection, payroll etc.

**HR Administrative and Operational Role:** The main objective of an HRIS is to improve the efficiency with which data on employees and HR activities is compiled. Many HR activities can be performed more efficiently and with less paperwork if it is automated.

**HR Strategic Role:** The next objective of an HRIS is more strategic and related to HR planning. Having accessible data enables HR planning and managerial decision making to be based to a greater degree on information rather than relying on managerial perception and intuition.

**Components of HRIS**

There are three major components of any Human Resource Information System, they are respectively, Input Function; which provides the capabilities needed to enter information into the HRIS. One of the first things that must be established is the procedures and processes required to gather the necessary data. We can also refer to it as where, when and how will the data be collected. Details as who collect data, when and how data is processed need to be specified Data Maintenance; after the data are processed by the input function, they enter the data maintenance. It updates and adds new data to the
existing database. The data maintenance function is responsible for the actual updating of the data stored in the storage devices and the Output Function; the output reports are the crucial links to the users. The output function of an HRIS is the most familiar one because the majority of HRIS users are not involved with collecting, editing/validating and updating data, but they are concerned with the information and reports produced by the system.[14]

Scope of HRIS

The emergence of the human resource management field gave the human resource function greater credibility within the managerial hierarchy, necessitating more sophisticated use of information, especially as it related to the strategic management function. Firms have experienced increased competitive pressures that have translated into greater cost containment demands from upper management, leading to greater automation of the record-keeping function in the HRM field. As a result of the rapid change in computer and software technology, HRIS-related products are constantly upgrading and changing.

Hussain et al., (2006) studied ‘the use and impact of human resource information systems on human resource management professionals’. The aim was to assess and compare the specific areas of use and to introduce a taxonomy that provides a framework for academicians. [10] They also sought to determine whether HRIS usage was strategic, a perceived value-added for the organization, and its impact on professional standing for HR professionals.

Role of HRIS

The three major groups that make use of HRIS are HR professionals, managers of inffunctional areas, and employees. While HR professionals rely on the HRIS in fulfilling job functions, managers rely on the HRIS’s capabilities to provide superior data collection and analysis, especially for performance appraisal and performance management. Individual employees are the end users of many HRIS applications and complexities of job related issues augmented the awareness of HRIS functionality among employees.

Kovach et al., (1999) presented the three major functional components in any HRIS by giving the model below:

Input Data ----> Maintenance ----> Output

The Input function enters personnel information into the HRIS. Data entry in the past had been one way, but today, scanning technology permits scanning and storage of actual image off an original document, including signatures and handwritten notes. [2] The maintenance function updates and adds new data to the database after data have been entered into the information system. Moreover, the most visible function of an HRIS is the output generated.

These are the least five reasons why companies should use HRIS.

1. To increase competitiveness by improving HR practices.
2. To produce a greater number and variety of HR operations.
3. To shift the focus of HR from the processing of transactions to strategic HRM.
4. To make employees part of HRIS, and
5. To reengineer the entire HR function.

REVIEW OF LITERATURE

Naveed R. Khan, Marinah Awang and Arsalan Mujahid Ghouri (2013) analyzed the impact of e-recruitment and job-seekers perception on intention to pursue the jobs. This study examined the relationship between the recruitment sources, job seekers’ perception and intention to pursue the job.
A number of observations on the applications of information technology (IT) in the field of human resource management (HRM) in general is examined.

Alok Mishra and Ibrahim Akman (2010) Information Technology in their article “Human Resource Management: An Empirical Assessment” indicated that, while IT has an impact on all sectors in terms of HRM to certain extent, the types of IT used vary significantly between recruitment, maintenance, and development tasks. The empirical results here reveal that these organizations are not applying these technologies systematically and maturely in the performance of HRM functions.

Dr. Shikha N. Khera and Ms. Karishma Gulati (2012) in their article “Human Resource Information System and its impact on Human Resource Planning: A perceptual analysis of Information Technology companies”, said that while analyzing the overall contribution of HRIS in HR Planning it is concluded that HRIS identifies occupied and unoccupied positions in an organization very effectively.

Lipsa Sadath (2013) in the research paper, “Data Mining: A Tool for Knowledge Management in Human Resource”, evaluated the HR performance, and suggested different methods for mining the best knowledge out of them. This paper is an attempt to study and understand the potential of Data Mining (DM) techniques for automated intelligent decisions from rich employee data base for predictions of employee performance.

Abeer Fatiha and Sophia Rahaman (2014) in their article, “Mining System in HR: A Proposed Model”, proposes a model for application of data mining in a HR process with respect to talent management, recruitment, manpower planning, and employee engagement to ease and benefit the HR system in an educational environment.

Markus Heik Konen (2012) in the article, “The rationale and effectiveness of recruitment outsourcing” focuses to make a unique outlook to the underlying themes affecting the recruitment outsourcing processes.

OBJECTIVES OF THE STUDY

The objectives of the study include the following:

1. To study the current status of recruitment module in HRIS.
2. To explore the need of additional features needed in the recruitment module of HRIS.
3. To compare the existing and required activities of recruitment module in HRIS.
4. To fulfill the gap by designing and developing an integrated HRIS with online support for career development.

To prepare reports based on Data Mining technique.

Role of Recruitment

There are various different issues that influence decisions regarding recruitment outsourcing during the interview, it became obvious that large-scale human resources outsourcing might be a driver for recruitment outsourcing by externalizing the process along with the other HR processes.

The role of recruitment theories in this research is to create a set of success factors related to evaluating the effectiveness and quality of different recruitment processes. Recruitment Process Management creates a folio relating to Recruitment Process. There are three different methods to recruit employees. They are

- Through direct recruitment
- Through campus interviews
- Absorbing project trainees
Direct Recruitment: Direct Recruitment is done through the internet. Resumes of candidates are received as either directly or by mail/e-mail/fax/courier. If they found eligible for interview they would be mailed indicating a user name, password and date of interview. The candidate has to log on into the HSL server and he will be given a set of questions (mostly of objective type). He/She has to answer those questions and the HR Manager will process his papers. The process may include further interviews.

Campus Interviews: Employees are appointed by conducting interviews at college campus. The profile of the students who are interviewed is maintained. It also maintains the details of the college. The selected candidates will first be given training in their respective areas and then they are put up in anyone of its developing unit.

Absorbing Project Trainees: The Project Trainees could also be hired by the concern in which they have done their project provided if their project performance is well.

Fig 1. Model constructs linking Recruitment source and Job seeker’s perception with Intension to pursue the job

Report

A Classification Algorithm is a procedure for selecting a hypothesis from a set of alternatives that best fits a set of observations. Classification is a model finding process that is used for portioning the data into different classes according to some constrains. In other words we can say that classification is process of generalizing the data according to different instances. Several major kinds of classification algorithms including C4.5, k-nearest neighbor classifier, Naive Bayes, SVM, Apriori, and AdaBoost. This paper provides an inclusive report generation using classification algorithms.

A Decision Tree is a decision support tool that uses a tree-like graph or model of decisions and their possible consequences, including chance event outcomes, resource costs, and utility. It is a way to display an algorithm. The final result is a tree with decision nodes and leaf nodes. A decision node (e.g., Recruitment) has two or more branches (e.g., Direct Interview, Campus Interview and Absorption). Leaf node (e.g. Selection process) represents a classification or decision using yes or no values. The top most decision node in a tree which corresponds to the best predictor called root node.

Fig 2. Representation of Decision Tree
In Decision Tree, Recruitment node has the different branches. In Direct Recruitment process the candidate is selected through his/her educational qualification. In Campus Interview process the candidate is selected through his/her performance. Absorption of the candidate through project i.e., placement through project undergone is also depicted in the decision tree.

**DISCUSSIONS OF RESULTS**

![Fig 3. Selection Process](image)

![Fig 4. Effectiveness of Recruitment](image)

**Outline of Job Analysis**

In job analysis it defines our system architecture, with our objective that will deliver system behavior at the same one of our objective is to create an experience, which is not only unique to the client, but also makes him feel that he has loyal attachment to the system and approaches us whenever they need. To achieve better results and success by implementing computerized process instead of manual process.

**Candidate Registration**

In candidate registration, new candidate can register their details and sign up their user id and password is sent to the candidate through the mail. In registration the process like their personal details and professional details and uploading the resume are carried by the candidate.

**Apply for the job**

In our HRIS package the job seeker can apply for the respective job. Selection process is done through three methods say, Direct Interview, Campus Interview and through Absorption Trainee.

**E-Test for Candidate**

E-Test for the candidate is conducted through multiple choice questions. Candidates should login in their account and the applicant can start their examination at the corresponding time. When the time duration is over then the package automatically stops the exams and answers marked will be saved. Then the examined result will be displayed on our website or else they can see their outcome by logging in with the help of their candidate id.
Role of Decision Tree in HRIS

Data mining concept is to extract a Knowledge Data form huge amount of database. In HRIS through data mining concept, Decision Tree, plays an eminent role to display our outcomes. Candidate performance is calculated and given as an input to our decision tree. It will expose to us an output. Candidate who lacks their marks are also assessed over decision tree and examined in the outcome of the candidate result to promote their enhancement. Then outcomes will be published in graphical format.

CONCLUSION

This HRIS Project satisfies all the needs of the Human Resource Manager. The Administration work mainly on Interviews is conducted by the consultant. The proposed module gives the information about the project details from the client and service and updating may be done for client’s satisfaction. The recruitment is made as per examination conducted by the company. The fundamental goal of this research was to analyze the underlying themes of recruitment outsourcing and identify some of the rationales and effectiveness influencing factors regarding this phenomenon.

The study investigates to examine how HR professionals are in different organizations see the effects of HRIS on HR tasks, and job roles. It also tried to find out if there is a significant difference in HRIS usage in large sized companies in respect of HR tasks performance. Finally, the current research takes a step beyond detailing the uniqueness of the IT workplace and identifies how best to handle the supervision implications of these unique features.

FUTURE ENHANCEMENT

Recruitment outsourcing is definitely a business process that will gain more and more ground in the future. Identifying the potential opportunities and benefits that may be accessed by using these services can create certain advantages for companies.

- Further studies may focus on identifying and comparing the perception of HR managers, line managers and software professionals on innovative HR practices of the company.
- To achieve better refraction and to widen the spectrum of the present set of findings, researchers may also look into the HRM practices and HR outcomes of the software firms. Classification in terms of product-oriented and project or service oriented companies.
- Studies can also focus on innovative HR practices and HR outcomes with reference to life cycle stages of the organisation.
- As longitudinal study affords a better insight into causal relationship, it would be advisable to go for a longitudinal study in further researches in the field where additive and interactive effects of various innovative HR practices on HR outcomes could be unearthed.

REFERENCES


ABSTRACT

Stress is a fact of everyday life. A situation, a thought or an unfavorable circumstance at workplace in particular act as an active catalyst for increasing the level of stress. In small quantities stress is good; however too much, or a strong response to stress can be harmful. Implications for the quality and efficacy of the health care an organization provides have been a particular focus of investigations on stress and burnouts, both generally and specifically with regard to workplace bullying and psychological aggression. Studies have proved that stress and burnout are strongly linked to suboptimal patient care. Stress related attrition continues to contribute to the reduced level of job satisfaction among the nurses. This paper aims to contribute to the field of research which reveals that the level of stress among the nursing fraternity has a negative impact on job satisfaction. More the level of stress, lesser is the nurses moral, motivation and efficiency.

Keywords: Burnout, Job satisfaction; Physiological Symptoms; Psychosocial Stressors; Stress

INTRODUCTION

According to Rafeli A and Sulton, R, I (1989), The nature of work is changing at a whirlwind speed. Perhaps now more than before, job stress poses a threat to the health of the workers and intern to the health care organizations. When stressful situations go unsolved, the body is kept in constant state of activation, which increases the rate of wear and tear to the biological systems. People can experience stress from four basic sources: the Environmental, Social Stressors, Physiological - Situations and thoughts. Stress is simply the body’s response to the change that creates taxing demands. In our daily life, we often use the word ‘stress’ to describe negative situations. This leads many people to believe that a; stress is bad for, which is not true. Positive stress can motivate, focuses energy and improves performance. In contrast, negative stress can cause anxiety or concern and decreases our performance and lead to mental and physical problems.

Stressors are not always limited to situations where some external situations are creating an issue. Internal events such as thoughts, feelings, and habitual behaviors can also cause negative stress. The signs and symptoms of stress overload can be almost anything. Stress affects the mind, body and the behaviors in many ways.

According to Fahy, A (2007), stress is difficult for professionals to define because it is a highly subjective phenomenon. Some people blush, some eat more while others grow pale or eat less. Some of the common signs and symptoms are frequent headaches, gritting, grinding teeth, tremors, trembling of lips, hands, necks ache, back pain, muscle spasms. All these after effects of stress reduce the work productivity, increases excessive defensiveness or suspiciousness, increase social withdrawal and isolation.

“Work related stress is when an individual’s emotional and physical response to the demands of the job that is incongruent with his or her abilities, resources or needs. This may be due to the lack of time to complete the necessary tasks of their job or the issue of a heavy work load. Additionally salaries are
not comparable to the task performed or salaries of the people in the similar profession who conduct
the similar work. Workers feel they are poorly compensated for their work “as stated by Jaffee G,

Nursing has long been considered one of the most stressful professions. Stress in nursing is largely
attributed to physical labour, suffering and emotional demands of patients and families, work hours,
shift work, interpersonal relationships and other pressures that are central to the work that nurses do.
Factors that have increased the level of stress among nurses since the 1980’s include the rising use of
sophisticated health care technologies, budget cuts, increasing workload, and constant organization
changes in the health care environment.

Risk factors for stress in nursing as shown by the “Occupational Safety and Health Research and
Practitioners “agree that nurses are heavily exposed to a myriad of “psychosocial stressors “in their
daily work .Psychosocial stressors can be referring to management style ,aspects of interpersonal
relationships and work roles. Effect of stress on nurses shows that excessive exposure to psychosocial
stressors produce considerable job stress, resulting in various problematic short and long term
outcomes. Depression and sleep problems have been reported as frequent stress related outcomes.
According to Roberson L, (1989) Job stress has been associated with reduced job satisfaction,
increased psychological distress, physical complaints, absenteeism, and feeling of inadequacy, self-
doubt, lower self-esteem, irritability, and somatic disturbances in nursing.

Researchers such as Weiss HM, Nicholas JP and Daus CS,(199) state that Stress not only adversely a
ffects the health ,safety and wellbeing of the nurse at the individual level ,it also negatively affects the
health care organization .Research indicated that the stress fostered by workplace bullying
,psychological aggression ,incivility and lawsuits .Moreover lateral workplace violence has shown to
jeopardize patient safety, satisfaction and healthy outcomes

According to a study conducted by Fisher, (2000), stress related attrition can generate considerable
labour cost for health care organizations that are not recoverable form private or public insurance
sources. Annual turnover rates for the registered nurses are estimated by the Joint Commission to
range from 18% to 26% with costs estimating for each turnover ranging from $62,100 to $67,000.

Nurses are the vertebra of a healthcare institution and an immense labour force to reach the
organizational goal and objective. Thus there is a need to study the level of stress and job satisfaction
level so that efforts can be made at the very least by the management to improve the working
conditions of the nurses and hence relieving stress. Other than relieving stress over all the moral of the
employees will change .When one employee’s miserable in doing their job, all of the other employees
that come into contact with are going to be affected by their negative attitude. If they see someone who
is obviously miserable, it will begin to colour how they view their own jobs.

REVIEW OF LITERATURE

According to Polit and Hungler (1999),”Literature review is a critical summary of research on a topic
of interest generally prepared to put up a research problem in context or to identify gaps and
weaknesses in prior studies so as to justify a new investigation”

A Review of Literature helps to determine how well the theory and research are developed in the field
of study, to define the concepts and to examine research designs, methods, tools and techniques of data
analysis used by other investigators

Thus review of literature helped to relate the present study to the previous works in the related field.
The studies are divided into the following headings/areas.

Section 1: Stress and nursing practices
Section 2: Job satisfaction in nursing
Section 3: Factors resulting in stress in nursing
Section 1: Stress and nursing practices

Judith A (2008) had conducted a study relating to systematic research linking aspects of ethical decision making in practice. A cross-sectional study was conducted which examined the relationship the selected aspects of ethical decision making and selected nurse characteristics. 61 critical care nurses completed the Nurse Ethical Decision Making – ICU Questionnaire and Health Professionals Stress Inventory. Findings revealed that nurses had significantly higher nurse autonomy scores that perceived anxiety had a negative association with nurse autonomy and that workplace restrictions and stress were interrelated.

This study revealed that there was no linking between ethical decision making and stress as the staffs had higher autonomy scored. Hence it was concluded that being autonomous helped reduce stress among nurses.

Andrew MC Vicar (2003) conducted a study based on workload, leadership style/management style, professional conflict and emotional cost of caring have been the main source of distress for nurses for many years, but there was a disagreement as to the magnitude of the impact. Organizational interventions are targeted at most but not all the sources, and their effectiveness is likely to be limited, at least in the short to medium term. Individuals must be supported better, but this is hindered by the lack of understanding of how resources of stress vary between different practice areas, lack of predictive power of assessment tools, and lack of understanding of how personal and workplace factors interact. Stress intervention measures must focus on stress prevention for individuals as well as towards organizations.

This study revealed that distress among nurses is due to workload, leadership style/management style, professional conflict and emotional cost of caring the organization should effectively intervene art these issues with a proper support system.

Section 2: Job satisfaction in nursing

Mineko Yamashita (2008) conducted a study that investigated job satisfaction among the nurses in Japan. The questionnaire was administered to 613 nurse’s practicing in a large, acute care hospital in a Southern part of Japan. The results from psychometric properties of the translated version of the instrument were satisfactory. It may be concluded that nurses in the study were not satisfied but not dissatisfied either on all items. However extrinsic factors such as having little opportunities for promotion or less favorable working conditions appeared to negatively influence job satisfaction in this study. Promotions should be based on merit instead of the current practice of seniority system.

In this study the reason for dissatisfaction in the job was based on seniority ad not merit. This gave a very little opportunity for nurses to get promoted.

Section 3: Factors resulting in stress in nursing

Jane S. Norbeck (2011), through this study tested the relationships among perceived job stress, job satisfaction, and psychological symptoms of critical care nurses. A self-administered questionnaire was sent to a sample of 180 critical care nurses from eight hospitals. The results supported the hypothesis that higher levels of perceived job stress are related to lower level of job satisfaction ($r$= -.24, $p$= .001) and to higher levels of psychological symptoms ($r$= .33, $p$= .000). These effects remained even when years of experience in nursing and shift were controlled.

This study clearly revealed that job stress is related to job satisfaction and level of psychological symptoms.

Section 4: Symptoms of stress among nurses

Meredith L. Mealer, April Shelton et al (2007) Conducted a study on Intensive Care Unit (ICU) nurses who work in demanding environment where they are repetitively exposed to traumatic situations and
stressful events. The physiological effects on nurses are relatively unknown. To determine whether there is an increased prevalence of physiological symptoms in ICU nurses when compared to general nurses. Survey of ICU and general nurses from three different hospitals (n=351) and then surveyed ICU nurses throughout the metropolitan area (n=140). In both cohorts of nurses, the author determined the prevalence of symptoms of post traumatic disorder (PTSD) anxiety and depression using validated survey instruments. 24% (54/230) of the ICU nurses tested positive for the symptoms of PTSD related to their work environment, compared with 145 (17/121) of general nurses (p=0.03). ICU nurses did not report a greater amount of stress in their life outside the hospital than general nurses. There was no difference in symptoms of depression or anxiety between ICU and general nurses. In the second survey of ICU nurses from another metropolitan area, 29% (41/140) of their respondents reported symptoms of PTSD, similar to the first cohort of ICU nurses.

This study revealed that nurses have increased prevalence of PTSD symptoms when compared to other general nurses. These results many increase awareness of these symptoms in nurses and lead to future interventions that improve their mental health and level of job satisfaction.

Through this exhaustive review it can be concluded that stress can lead to burnout among nurses. Various symptoms can impair their physical health and this may lead to impaired judgments, absenteeism, and increased turnover. The healthcare organizations must take active measures to reduce the level of stress among the nurses so that optimal work output can be achieved.

OBJECTIVES

1. To identify the various stress relating factors among the nurses.
2. To study the existing factors which are potential reasons for the increase in the level of stress among the nurses.
3. To identify the after effects of stress among the nurses in their personal and occupation lives.
4. To provide an effective stress management strategy for the nurses.

CONCEPTUAL FRAMEWORK

A framework is the overall conceptual underpinning of the study. When a study is based on a theory, the framework is a theoretical framework i.e. the study has its roots in a specific concept. Conceptual frameworks are a means of organizing a phenomenon.

Stress at work is on the increase. It has been estimated that U.K. spends around 370 million to 3.75 billion pounds each year as the information provided by the 1996/96 Health and Safety Executive Publications in 2001. Lately the estimated cost of work related stress costs has increased. This comes to no surprise given the fact that many employers have not addressed the British long hours culture. It leads to increased stress and sickness absence.

Palmer developed a simple model of stress that could be used to explain the relationship between the main stress related hazards, this is represented through Figure no 1 A model of work stress.

**Figure 1.** “A model of work stress

**The Six Hazards**

**Demands:** include exposure to issues such as workload, work patterns and work environment (for example volume and complexity of work, shift work, unrealistic deadlines)

**Control:** how much say and involvement the person has in the way they do their work (for example control balanced against demands, lack of autonomy, too much supervision)

**Support:** includes the encouragement, sponsorship and resources provided by the organization, line management and colleagues (for example training for core functions of job; catering for individual differences)

**Relationships:** includes promoting positive working to avoid conflict and dealing with unacceptable behavior (for example bullying and harassment, conflicts)

**Role:** refers to whether people understand their role within the organization and whether the organization ensures that they do not have conflicting roles (for example conflicting roles avoided, vague job descriptions)
Change: how the organizational change (larger small) is managed and communicated in the organization (for example staff understanding why change is necessary, little or no communication to staff, redundancy fears)

Symptoms of Stress

Individual symptoms- The employees are at a risk of individual symptoms. The above model focuses on the individual symptom which are assessed by the job stress inventory. In due course of time these symptoms have led to further deterioration of health which results in dissatisfaction of job, and job related stress.

Organizational Symptoms- Due to increase in sickness, increased absenteeism and long work hours, there is a reduction in the staff performance, and also an increase of hostility and non cooperation among colleagues.

Negative Outcomes

Individual outcomes- The physical problems related to chronic stress include the lowering of the immune response, chronic muscle Tension, Heart Disease, RSI, Clinical Anxiety Depression, Burnout and increased blood pressure. These problems can eventually lead to serious illnesses

Organizational outcomes- There is a significant relationship between work-induced stress and perceived workers' productivity. Employees suffering from high stress levels have lower engagement, are less productive and have higher absenteeism levels than those not working under excessive pressure.

The model of stress described in this article provides an exhaustive presentation to explain in a cohesive manner the causes of work related stress (i.e. hazards that need to be assessed), the impact upon the individual and the organization. When hazards are minimized the stress level reduces thereby resulting in an increased outcome and a greater job satisfaction.

Strategies for Managing Stress

Stress experienced by the nurses in their job has negative impact on their health, performance and their behaviour in the organization. Thus, stress needs to be managed effectively so as to set off these harmful consequences. Strategies for managing stress are as follows-

Organizational strategies for managing stress

1. Encouraging more of organizational communication with the nurses so that there is no role ambiguity/conflict.
2. Encourage nurses’ participation in decision-making.
3. Grant the nurses greater independence, meaningful and timely feedback, and greater responsibility.
4. The organizational goals should be realistic, stimulating and particular. The nurses must be given feedback on how well they are heading towards these goals.
5. Have a fair and just distribution of incentives and salary structure.
6. Promote job rotation and job enrichment.
7. Create a just and safe working environment.
8. Have effective hiring and orientation procedure.
9. Nurses should be appreciated on accomplishing and over-exceeding their targets.
Individual strategies for managing stress

1. The nurses should make a “to-do” list daily, prioritize the acts in the list and plan the acts accordingly.
2. Nurses must take regular breaks during work to relax.
3. By effective time management, the nurses can achieve their targets timely and can meet work pressures and, thus, avoid stress.
4. Indulge in physical exercises. It helps in effective blood circulation, keeps you fit, diverts mind from work pressures.
5. Encourage a healthy lifestyle. Take a regular sleep, have plenty of water, have healthy eating habits. Promote relaxation techniques such as yoga, listening music and meditation.
6. Nurses must have optimistic approach about their work. They should avoid connections with negative approach employees.
7. Nurses should build social support. They should have close connections with trustworthy peer who can listen to their problems and boost their confidence level. This social network will help the employees to overcome stress.

CONCLUSION

Stress is difficult to define because it is a highly subjective phenomenon that differs for each. The effect of stress on nurse’s show that excessive exposure to psychosocial stressors produce considerable job stresses, resulting in various problematic short and long term outcomes. Stress related attrition can generate considerable labour costs for health care organizations that are not recoverable from private or public sources. Through this article the author aims to prove that stress does create a negative impact on the nurse’s job satisfaction level.

REFERENCES


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TRAINING FOR STAFF IN MICRO FINANCE INSTITUTION FOR SUSTAINABILITY

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ABSTRACT
Micro finance institution in India was started in the early 1980s with the formation of formal & informal self help groups. This sector had been transformed in to a few such as non-government organization, non-banking finance company, cooperatives, postal savings bank, state owned development banks and most of them started as non-profit organization. SIDBI and NABARD are supplying financial resources to this sector. Today many NGOs are giving support and these factors strengthen micro finance sector in India. NGOs started MFOs which are rooted in the failure of banks to meet the needs of the poor. NGOs offer different kinds of support services like savings, risk management, credit, insurance etc. and minimize risk with group guarantees. In accordance with the transformation or growth in this MF sector, the state of the developing human resources (staff) through training is embryonic with respect to the needs and demands and changes in this sector. According to survey report on HR CHALLENGES AND SOLUTIONS IN MFI, April, 2008 issued by micro finance insights in India, people matters are most challenging in comparison to financial and technology matter. After recruitment, the training & capacity building figure out as a predominant factor in preventing turn over in MFI. Training is important for sustainability. Training consists of developing skills of the staff in MFI. The current study figure out the training programs offered by Management institutions, training centers etc. and discuss the need for training and finally conclude with suggested skills which are important for sustainability of MFI.

Keywords: Training & Development; MFI

INTRODUCTION
As microfinance institution grows, they need more and better qualified staff never so before. The needs and demands of the micro finance industry have evolved enormously which creates the need for formulating smart human resource strategies to achieve economic growth and development through MFI. At the same time, training needs have changed in the micro finance industry over the past decade. It must to be ensured that how far the training program has been met the needs & a demand of the industry is important. Training involves developing staff, transferring knowledge, basic financial skills, soft skills, practical skills, basic accounting skills, technical skills, communication skills, influence & persuasion skills, managerial skills, analytical skills etc. Actually, in micro finance institution, there are typically three levels of employment:

- Field Staff
- Back Office
- Management

MFI requires participative and communicative style of management; strong management skills, training and capacity building, building an effective work force are the challenges to micro
institutions. Mid level managers require set of skills and tools to enable them to manage staff that is larger and more active than that of a traditional bank. According to Valerie Kindt, Principal senior Director and Manager of the Global Training center in Mumbai, “There is a direct correlation between the success of a micro finance institution and the training provided to its staff”. And training is not just healthy, it is also critical to the underlying social mission of micro finance – to help the poor, proper training for loan officers in the field up to high ranking executives help to ensure consumer protection, so that the clients get the services they need by the most respectful and helpful means possible.

The study is primarily qualitative in nature and do not use any quantitative tool to analyze the data. It has been conducted mainly on the basis of literature survey and secondary information. Various research papers, reports, websites; articles have been referred to writing this paper.

OBJECTIVES

The objectives of the study can be listed down as below:

1. To observe the current trends in training in MFI
2. To assess the need for training/skill development
3. To discuss the required skills for staff to strengthen MFI
4. To have an idea about institutions which provide training in this MF sector

METHODOLOGY OF THE STUDY

The method of current research is case study research. This method is used to test theoretical models in real world situation. A case study research is an in depth study of a particular problem. This method of research has been conducted in social sciences and nature of the current research is exactly a social approach. The design of the current case study focuses on specific and interesting cases. In the current study, main focus is on training programs and centers. The following are the focal points in the case:

1. Levels in MFI for training & training at each level
2. MFI staff training centers, institutes & their training activities
3. MFI education emerged to make the MFI job as professional & perfect

Finally, the study will suggest some sort of skills need to be developed by staff in MFI. The limitation of the case study is that the issues in the paper are drawn from secondary sources.

The current study ”Skills Training for Staff in MFI for Sustainability” it self is a case study an in depth study of skills training for staff in MFI and analyzes the results on opinion based than statistical methods. There really is no right or wrong answer in a case study.

REVIEW OF LITERATURE

Human resource development challenges in an MFI are not all that different from those of other companies, however, working with populations at the bottom of the pyramid, particularly in country with varying political, economic climates is bound to generate challenges unique to MFI. Human resource development relies mainly on training & development activities (HRD in MFI; Zahid Ali Mubarik; Sept, 2008). In the era of change and opportunity, approaches to training have grown importance, broadened in scope, and more sophisticated in method. According to Wilson (2005), Training & Development is traditionally a function of human resources department, it follows a classic training cycle: identifying training & development needs, planning and designing training, implementing training and evaluating it. Churchill(1977) report on Management Growth : The organizational Architecture of Micro finance institutions signifies that the foundation of any MFI lies at the locus of interaction between the institution and its customers. Orientation training plays a vital role in ensuring that new loan officers understand the MFI and buys in to it psychologically. A successful MFI needs to indoctrinate employees in to its core ideology, and a sense of elitism so that
new employees feel they are joining something that is special and superior. The charted Institute of Personnel Development (CIPD) UK promotes a concept of paradigm shift from ‘Training to Learning.’ This model is useful to MFI staff training. Training is the acquisition of knowledge, skills and attitudes that improve performance in the current job.

**Skills Required By MFI Staff**

![Skills Required By MFI Staff Diagram](image)

**FINDINGS IN THE STUDY**

**MFI Staff Training Centers, Institutes & Their Programmes & Training Activities**

<table>
<thead>
<tr>
<th>CENTER/ INSTITUTE</th>
<th>PROGRAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDA Rural Systems Private Ltd.</td>
<td>First institution in the year 1999 entered in the training era. Offers a full range of skills training includes CGPA modules (such as Financial analysis for MFIs) Courses designed by EDA itself (Internal audit, social performance management)</td>
</tr>
<tr>
<td>MICRO SAVE</td>
<td>Combining class-room based learning with on-site follow up technical assistance 2 offices at Chennai and Lucknow in India Focus on strategic business planning and process mapping and develops toolkits specific to Indian conditions on topics like market research, governance and delinquency management</td>
</tr>
<tr>
<td>ACCION—global training center</td>
<td>Risk Management Governance Mid-Level management in Micro finance Leadership Technical training of trainers</td>
</tr>
<tr>
<td>S.M.I.L.E. Micro Finance Ltd.</td>
<td>Induction training for field development staff officers (5 days, or 3 weeks) Managerial skill training In-house MFI Software training Training on customer satisfaction Advanced technical skill in micro finance</td>
</tr>
</tbody>
</table>
MFI Education Is Emerged To Make the MFI Job as Professional

SIDBI, the largest apex for MFIs has always devoted a share of its resources to Training & capacity building for its partners including staff training at management institutes such as IIMA, IIMB, IRMA etc. These institutions are offering and developing graduate education in micro finance management along 3 tracks : electives, specializations and certificate courses for micro finance professionals. IIMA offers micro finance as an elective in its regular agribusiness programme. IIMB has enabled to set up micro finance group and offer a course in social entrepreneurship which has a substantial section on micro finance.

Micro Finance Management Education

To facilitate the growth process of micro finance organization, knowledge & skill building is must on the part of micro finance professionals to provide support to organizational building. Indian school of Micro finance for women (ISMFW), Ahmedabad has launched certified programmes: Integrated-Teaches the hard & soft skills in micro finance; Builds a holistic perspective; teaches how the economic and social aspects integrate to alleviate poverty; Operationalizing micro finance includes :Micro finance bill, mission, vision, legal and regulatory constraints; Sustainability : financial sustainability, functioning with in the market, introduction to financial ratios/ financial management, value additions in microfinance.3 field visits, like that course was designed. Accounting for micro finance institution includes :accounting & financial skills, management skills which are helpful for reporting and monitoring of activities.

DISCUSSION AND RECOMMENDATIONS

Training At Different Levels in MFI

Field Staff: Field staff carries out day to day operations; they are MFI’S interface with the customers. Their functions are: Receiving loan applications, Disbursement of loans and collect repayments. Actually, in every MFI field staff plays an active role. So, they must possess good communication skills, persuading skills, motivational skills etc. The performance of the micro finance business is in the hands of field staff. They must be in a position to influence, persuade, and educate the poor/needy/unemployed/below poverty line/lower income people. The field staff has been involved in the first step of micro finance business-explaining about loans, persuading to take loans, receiving loan applications, giving/providing loans and the final step is to collect repayments (Recovery) which is a crucial step. On-The-Job training is suitable to field staff.

Back Office

Back office staff known as administrative staff. Their main functions are: Processing documents, Record keeping, Handling cash/ accounting, scheduling field staff movements, reports/audits, carrying out internal audits. These people must possess very good technical skills, basic financial skills and should have some legal expertise regarding micro finance bill etc. They should be very effective in maintaining records. MIS plays an active role in this case. A part from this, they need to maintain staff records also. Back office also has its own importance in MFI Business and they also need to develop some sort of skills whenever change occurs. In this case, on-the-job and off-the-job training is better.

Middle Level Management: Middle level managers require a unique set of skills and tools to enable them to manage staff. Middle level managers have specialized marketing skills and requires accurate knowledge of the local market. A middle level manager must be in a position to train, guide, and direct the field staff. A middle level manager has to possess problem solving skills, conflict management skills etc. Managerial and skills related training for middle level management is focused.
on human resources development, strategic planning. In this case, standard class room training is followed by on-site mentoring can contribute the most to the healthy growth of the MFI.

**Executives Level:** Actually their duty is to design new products, customer satisfaction and protection, value added services, governance, policy making, strategy formulation and implementation etc. They need to be trained in this way. Staff at executive level is to be trained on the issues like crisis management, business risk management, portfolio management portfolio management etc.

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**OBJECTIVES OF MFI STAFF TRAINING**

- To Train & Educate the clients / borrowers
- Organization Development & Sustainability
- Eradication Of Poverty & Economic growth

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**Need For Training**
Changes & Opportunities: In an era of change and opportunity, there is a great need for training. Actually, micro finance sector has been transformed over the period. In accordance with this transformation, skill based training is must to the staff for sustainability. Change is inevitable in any industry. Change can be managed only through skill based training. An opportunity is a market place where an organization can survive forever in the market and where there is a great need and demand for their products & services. To grab the opportunities, to strengthen it’s strengths, to achieve synergy in the market, micro finance industry / business requires qualified, efficient staff. Through training only efficiency will be achieved. Training and learning are the two wings of HRD in micro finance.

Continuous Up Gradation of Skills: There is no limitation for training. It is a continuous process. According to the market conditions, business strategies, need & demand of the customers, new products & services and for sustainability and to survive in the market continuous up gradation of skills is required. Micro finance organization & staff make a feel of that training & learning process is also a part of their job work. Continuous professional development is possible through the continuous up gradation of skills. This will enhance the staff ability in making innovations at work place. Planning and identifying new skills and enhancement of the existing & new skills are needed to achieve personal & corporate objectives. This will be helpful to an employee to increase his capability and to an employer to achieve organizational effectiveness. To overcome threats, to be proactive, to enhance the abilities, to enrich the knowledge, to increase the core competencies of the employees as well as the organization continuous up gradation of skills is required.

To Train MFI Clients: MFI staff has the responsibility a part from their job role, that is to train & educate the borrowers (MFI clients). The MFI staff must be in a position to educate the rural people, unemployed youth, self-help groups, women seeking for self-employment etc. By just providing finance to the people (above said) will not fulfill the means & ends of both the clients (people) & MFI. Finance is the source provided to the people makes them to engage in some work to live or survive and make them to succeed towards eradication of poverty to achieve the economic growth. In this light, the clients need guidance, motivation, training on different tasks like business opportunities, sales management, profit & income management etc. MFI field staff & middle level staff must take initiative in this regard. It will help them to make easy their duty to recover the loan amounts and retention of clients. Without training, this could not be possible. MFI staff must possess social skills to do full justice to their job by guiding the borrowers to do their business successfully and to repay the loans. MFI staff has to maintain good & continuous relation with the clients.

Promotion of New Technology: MFI requires up dated technology to move strategically and to compete in the modern computerized world. Technology is required to collect full data about each client, record keeping, retrieving the data for making prompt decisions. And also the technology used by MFI must be user/customer/client friendly as most of the clients are not well-educated. Technical training is must for all the levels of MFI staff to gain the competitive advantage. This creates the need for training. Technology facilitates the effective communication, best information systems, record keeping, documentation, management controlling etc. Information and communication technology is playing an active role. At this time, technical training is important to staff. This creates the need for training from time to time in the light of technical changes.

Training on Recovery: The MFI life depends on this point –Recovery. Financial risk will arise from this point. MFI staff should be well trained in this point. MFI staff must have a good knowledge in granting the loans, estimating/expecting the borrower’s credit worthiness and at the same time must be skilled in collecting the repayment of their loans. Actually, the process of recovery in case of MFI is different from banks & other financial institutions. MFI staff must possess influence & persuasion skills to recover the loans as MFI is a social financial institution & operating with a social objective. So, MFI staff require training on sensitive issues like self-motivation, persuasion, problem solving skills with a kind of social insight. Then only, recovery becomes very easy.

Training on Liquidity Management: Actually, this training will be given to mid-level (branch managers, divisional managers), top level executives regarding how to manage liquid assets? Because
liquidity is the main factor for any financial organization to sustain and survive. Liquidity management training focuses on management of current assets or liquid assets like cash, marketable securities, bills etc, and investment portfolio to maintain optimum working capital and best practices of financial planning.

Training on Credit Planning: This training will be provided to mid-level, top level executives on deciding credit periods and credit limits and maintaining credit information of the borrower. It requires factual information to design credit policies as well as to train the staff towards it.

Training on Risk-Management: Senior level managers must possess risk management skills. Skills regarding: Assessing the degree of risk which involves assessment without mitigation, assessment with mitigation and management plan accordingly. To assess the risk some statistical techniques are to be used and the training will be given on this.

Training Methods Suitable to Different Levels of MFI

<table>
<thead>
<tr>
<th>TRAINING METHOD</th>
<th>MFI STAFF LEVEL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role-playing</td>
<td>Field Staff</td>
</tr>
<tr>
<td>On-the-job training</td>
<td></td>
</tr>
<tr>
<td>Soft skill training</td>
<td></td>
</tr>
<tr>
<td>Sensitivity Training</td>
<td></td>
</tr>
<tr>
<td>Social skill training</td>
<td></td>
</tr>
<tr>
<td>Marketing skill training</td>
<td></td>
</tr>
<tr>
<td>Lectures</td>
<td></td>
</tr>
<tr>
<td>Vestibule Training</td>
<td>Administration level/ operating level/</td>
</tr>
<tr>
<td>Lectures</td>
<td>Back office</td>
</tr>
<tr>
<td>On-the-job training</td>
<td></td>
</tr>
<tr>
<td>Off-the-job training</td>
<td></td>
</tr>
<tr>
<td>Brain storming/ problem solving skills</td>
<td>Middle Level</td>
</tr>
<tr>
<td>Case Method</td>
<td></td>
</tr>
<tr>
<td>Management Games</td>
<td></td>
</tr>
<tr>
<td>Lectures</td>
<td></td>
</tr>
<tr>
<td>Training on strategic issues like policy making, governance, social responsibility, risk management, crisis management through work shops/ projects</td>
<td>Executive level</td>
</tr>
</tbody>
</table>

Double Benefits Of MFI Staff Training

The benefit of training provided to MFI staff has double effect.

<table>
<thead>
<tr>
<th>BENEFITS TO MFI</th>
<th>BENEFITS TO THE ECONOMY</th>
</tr>
</thead>
<tbody>
<tr>
<td>MFI's Employee Morale</td>
<td>Self-employment for the poor</td>
</tr>
<tr>
<td>MF organization development</td>
<td>Rural development</td>
</tr>
<tr>
<td>MFI growth</td>
<td>Economic growth</td>
</tr>
<tr>
<td>MFI sustainability</td>
<td>Alleviation of poverty</td>
</tr>
<tr>
<td>MFI successful transformation</td>
<td>Good financial portfolio for poor people</td>
</tr>
<tr>
<td>Minimizing risks</td>
<td>Abundant sources of finance for the lower income people</td>
</tr>
<tr>
<td>Accurate financial services</td>
<td>Rural &amp; Urban women empowerment</td>
</tr>
<tr>
<td>Sound financial system</td>
<td>growth in small businesses &amp; agriculture</td>
</tr>
<tr>
<td>Increase the MFI’s strength (Human resources)</td>
<td>over all economy strength will increase.</td>
</tr>
<tr>
<td>Opportunities are grabbed</td>
<td>Abundant business opportunities for poor &amp; small income groups for development</td>
</tr>
</tbody>
</table>
CONCLUSION

The MFI industry needs to create the need to train its staff on better management and collection practices and increase community involvement. Training has to be provided at different levels such as field staff, back office, management. EDA, Micro Save, ACCION, global training centers provide training on different concepts which are emerged in the current market. MFI education is emerged to make the MFI job as professional. To train the borrowers/clients, the MFI staff should be well trained. The benefits of the training has double effect. Training can improve the effectiveness of staff, increase the adaptability. As per micro finance summit report 2010, the year 2010 was tumultuous year for the Indian micro finance sector in which the industry started with mostly NGOs had enticed major investors and criticism that the social mission of sector was veering off track. As per the reports, the involvement of communities has reduced in MFI, so the industry needs to train it’s staff on better management and collection practices. MFI should look at micro finance as a social activity with business as a by product rather than a business activity. Training & learning has no end and it is a continuous process in this dynamic micro finance sector.

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GROWTH AND PERFORMANCE OF STATE CO-OPERATIVE BANKS IN INDIA

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ABSTRACT

Cooperative is one of the oldest and effective systems in terms of development of human civilization. Cooperative institutions are organised and managed on the principle of cooperation, self-help and mutual help. There are different types of cooperative institutions functioning in India. As far as the institutional credit structure is concerned, cooperatives play a significant role in this regard. Cooperative credit institutions are spread all over India and are providing their services at the grass root level. As main portion of the population in India lives in rural areas so it is important to strengthen the cooperative credit institutions in these areas. The major advantage of the institutions is their strong branch network which covers entire area of the country. This paper attempts to study the State Co-operative Banking in India. The paper mainly focuses on the branch networking, capital, advances, deposits, working capital and recovery performance of these banks in India. Basically we have studied the growth and performance of State Co-operative Banks in India. The study is based on secondary data. The data required for the study has been collected from RBI annual reports, Journals, reports on trend and progress of banking in India, Annual Reports of NAFSCOB etc.

Keywords: State Co-operative Banks; District Central Co-operative Banks

INTRODUCTION

Institutional credit system plays an important role in the development of country through credit delivery system. For effective implementation of government welfare schemes, it is important to have a strong credit system in the country. Credit need of the farmers in India is mainly divided into short-term and long term basis. The short-term and long-term Co-operative Banking structures consist of 31 State Co-operative Banks at the state level, 370 District Central Co-operative Banks at the district level, and 92,432 Primary Agriculture Cooperative Societies at the village level.

The Co-Operative Banking Structure Is A Three Tier Federal Structure

- A State Co-operative Bank works at the apex level (works at state level).
- The District Central Co-operative Bank works at the intermediate level (also known as Central Co-operative Bank) works at district level
- Primary Co-operative Credit Societies at base level (at village level)

State Co-operative Banks are considered to be the leader of the cooperative movement in the State. Moreover the success and failure of a cooperative movement to a large extent depends on its...
successful leadership. State Co-operative Bank is the highest agency of the three-tier cooperative credit structure in any state of India. It serves as a link between Reserve Bank of India and the District Central Co-operative Banks and Primary Agricultural Cooperatives. The RBI provides credit to lower level cooperatives through the SCBs. This function of RBI has now been taken over by NABARD. The SCB also acts as a balancing centre for DCBs in the sense that surplus funds of some DCBs are made available to other needy DCBs.

OBJECTIVES OF THE STUDY
The following are the objectives of the study:

1. To examine the growth of State Cooperative Banks in India through selective indicators.
2. To analyse the deposits, credit and credit deposit ratio.
3. To study the recovery performance of the banks

METHODOLOGY OF THE STUDY
The study is based on secondary data. The data required for the study has been collected from RBI annual reports, Journals, reports on trend and progress of banking in India, Annual Reports of NAFSCOB.

Period of the Study
This study covers a period (in years) from 2001-02 to 2011-12.

Branch Expansion and Number of Members
Branch expansion is the most important instrument for deposit mobilization for any bank, and Cooperative Banks are no exception. To work for real achievement of the target of social upliftment of the poor and weaker sections, the banks must extend towards remote and rural areas. It’s through their branch network that banks today play a crucial role of pace-setter in the process of economic development. The SCB functioning in every state of India and its members comprise Cooperative Societies, Individuals and State Government. Table shows that there is no change in the number of branches of bank during the year 2001-02 to 2005-06, only one bank opened during the year 2006-07 and still there is no change till 2011-12. Number of offices of SCBs which stood 899 in 2001-02 increased to 1047 during the end of 2011-12 registering a compound growth of 4.536 percent. While the number of members which was 1,04,607 in 2001-02 increased to 1,56,623 and after that showing fluctuating trend achieved the highest level in the year 2009-10 and again reach at the level 2,54,358 in 2011-12.

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of State Cooperative Banks</th>
<th>No. of Offices</th>
<th>Total Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>30 (--)</td>
<td>899 (--)</td>
<td>1,04,607 (--)</td>
</tr>
<tr>
<td>2002-03</td>
<td>30 (--)</td>
<td>931 (3.56)</td>
<td>1,33,688 (27.80)</td>
</tr>
<tr>
<td>2003-04</td>
<td>30 (--)</td>
<td>929 (-2.21)</td>
<td>1,50,975 (12.93)</td>
</tr>
<tr>
<td>2004-05</td>
<td>30 (--)</td>
<td>953 (2.58)</td>
<td>1,56,623 (3.74)</td>
</tr>
<tr>
<td>2005-06</td>
<td>30 (--)</td>
<td>962 (0.94)</td>
<td>1,56,623 (--)</td>
</tr>
<tr>
<td>2006-07</td>
<td>31 (3.3)</td>
<td>938 (-2.49)</td>
<td>1,48,771 (-5.01)</td>
</tr>
<tr>
<td>2007-08</td>
<td>31 (--)</td>
<td>986 (5.12)</td>
<td>1,50,917 (1.44)</td>
</tr>
<tr>
<td>2008-09</td>
<td>31 (--)</td>
<td>992 (0.61)</td>
<td>2,00,772 (33.03)</td>
</tr>
<tr>
<td>2009-10</td>
<td>31 (--)</td>
<td>1015 (2.32)</td>
<td>3,30,808 (64.77)</td>
</tr>
<tr>
<td>2010-11</td>
<td>31 (--)</td>
<td>1028 (1.28)</td>
<td>2,34,827 (-29.01)</td>
</tr>
<tr>
<td>2011-12</td>
<td>31 (--)</td>
<td>1047 (1.85)</td>
<td>2,54,358 (8.32)</td>
</tr>
<tr>
<td>Mean</td>
<td>30.55</td>
<td>970.91</td>
<td>1,83,906</td>
</tr>
</tbody>
</table>
Table 1. Branch Expansion and Membership of State Co-operative Banks in India

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of State Cooperative Banks</th>
<th>No. of Offices</th>
<th>Total Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>S.D.</td>
<td>0.50</td>
<td>44.38</td>
<td>62,615.12</td>
</tr>
<tr>
<td>C.V.</td>
<td>1.63</td>
<td>4.57</td>
<td>34.05</td>
</tr>
<tr>
<td>C.G.R.</td>
<td>0.328</td>
<td>4.536</td>
<td>9.292</td>
</tr>
</tbody>
</table>

Note: Figure in parenthesis indicate the percentages increased and decreased over the previous year.

Source: NAFSCOB-Mumbai (2001-02 to 2011-12)

Progress in Capital, Reserves and Working Capital of State Co-Operative Banks in India

The equity in State Co-operative Bank has been provided through the allotment of shares to various categories of shareholders such as cooperative Societies/Institutes, state Government and other institute. The Table analysed the funds of the SCBs and their trends in terms of share capital, reserves and working capital. The amount of capital which was Rs. 84,659 lakh in the year 2001-02 has gradually increased and reached Rs. 2,61,707 lakh in 2011-12 registering a compound growth rate of 11.947 percent. The reserves funds are kept in the bank to meet various contingencies. Some funds are kept mandatory as statutory reserves, Agriculture Credit Stabilization fund, Bad & Doubtful Debtors and Building Funds are the main items that constitute the reserve funds of SCBs in India.

Table 2. Trends of Capital, Reserves and Working Capital (Amount Rs. in Lakh)

<table>
<thead>
<tr>
<th>Period</th>
<th>Capital Amount</th>
<th>Trend %</th>
<th>Reserves Amount</th>
<th>Trend %</th>
<th>Working Capital Amount</th>
<th>Trend %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>84,659</td>
<td>100</td>
<td>4,17,763</td>
<td>110</td>
<td>56,69,673</td>
<td>100</td>
</tr>
<tr>
<td>2002-03</td>
<td>89,715</td>
<td>105.97</td>
<td>5,00,168</td>
<td>119.73</td>
<td>60,75,475</td>
<td>107.16</td>
</tr>
<tr>
<td>2003-04</td>
<td>92,455</td>
<td>109.21</td>
<td>5,57,200</td>
<td>133.38</td>
<td>65,21,629</td>
<td>115.03</td>
</tr>
<tr>
<td>2004-05</td>
<td>99,228</td>
<td>117.21</td>
<td>6,58,981</td>
<td>157.74</td>
<td>70,68,213</td>
<td>124.67</td>
</tr>
<tr>
<td>2005-06</td>
<td>1,09,424</td>
<td>129.25</td>
<td>7,34,251</td>
<td>175.76</td>
<td>74,54,366</td>
<td>131.48</td>
</tr>
<tr>
<td>2006-07</td>
<td>1,83,668</td>
<td>216.95</td>
<td>8,14,490</td>
<td>194.96</td>
<td>83,44,690</td>
<td>147.18</td>
</tr>
<tr>
<td>2007-08</td>
<td>1,31,617</td>
<td>155.47</td>
<td>8,63,179</td>
<td>206.62</td>
<td>89,85,076</td>
<td>158.48</td>
</tr>
<tr>
<td>2008-09</td>
<td>1,39,048</td>
<td>164.24</td>
<td>8,76,395</td>
<td>209.78</td>
<td>1,05,90,620</td>
<td>186.79</td>
</tr>
<tr>
<td>2009-10</td>
<td>1,62,958</td>
<td>192.49</td>
<td>8,76,281</td>
<td>209.76</td>
<td>1,22,05,733</td>
<td>215.28</td>
</tr>
<tr>
<td>2010-11</td>
<td>2,06,677</td>
<td>244.13</td>
<td>9,55,866</td>
<td>228.81</td>
<td>1,30,67,094</td>
<td>230.47</td>
</tr>
<tr>
<td>2011-12</td>
<td>2,61,707</td>
<td>309.13</td>
<td>10,55,819</td>
<td>252.73</td>
<td>1,47,98,850</td>
<td>261.02</td>
</tr>
</tbody>
</table>

Mean 1,41,923.27 7,55,490.27 91,61,947.18
S.D. 54,080.63 1,91,398.52 29,39,123.27
C.V. 38.11 25.33 32.08
C.G.R. 11.947 9.71 10.07

Source: NAFSCOB-Mumbai (2001-02 to 2011-12)

Reserves of the SCB in India show a compound growth rate of 9.71 percent during 2001-02 to 2011-12. The Working capital of the bank shows that it was Rs. 56,69,673 lakh in 2001-02 which continuously increased and reached Rs. 1,47,98,850 in 2011-12. The working capital of these institutions has increased significantly from Rs. 56,69,673 lakh in 2001-02 to Rs. 1,47,98,850 in 2011-12. The trend in the growth rate shows that average compound growth is 10.07 percent over the period from 2001-02 to 2011-12.
Purpose-Wise Outstanding Loans

The Table reveals that loans and advances of agricultural and non-agricultural sectors of the State Co-operative Banks have continuously increased during the period under study. During 2002-03, the loans and advances of agriculture and non-agriculture sectors of the SCBs were noted to the tune of Rs.12,48,816 lakh and Rs. 22,56,399 lakh respectively which has gone to the tune of Rs. 47,38,095 lakh and Rs. 28,25,092 lakh respectively during 2011-12. The average loans and advances have been revealed to the tune of Rs.23, 96, 65.99 lakh and Rs. 4, 76,752.15 lakh of agriculture and non-agriculture respectively.

Table 3. Outstanding Loan and Advances of the State Co-operative Bank in India

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture Loan</th>
<th>Non-Agriculture Loan</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>NA</td>
<td>NA</td>
<td>32,55,352 (--)</td>
</tr>
<tr>
<td>2002-03</td>
<td>12,48,816 (--)</td>
<td>22,56,399 (--)</td>
<td>35,05,215 (7.68)</td>
</tr>
<tr>
<td>2003-04</td>
<td>16,50,675(32.18)</td>
<td>19,13,044 (-15.22)</td>
<td>38,63,719 (1.67)</td>
</tr>
<tr>
<td>2004-05</td>
<td>14,13,349 (-14.38)</td>
<td>21,17,303 (10.68)</td>
<td>35,30,652 (.093)</td>
</tr>
<tr>
<td>2005-06</td>
<td>16,85,286 (19.24)</td>
<td>22,10,813 (4.42)</td>
<td>38,96,099 (10.35)</td>
</tr>
<tr>
<td>2006-07</td>
<td>22,39,292 (32.87)</td>
<td>24,28,289 (9.84)</td>
<td>46,67,581 (19.80)</td>
</tr>
<tr>
<td>2007-08</td>
<td>25,11,436 (12.15)</td>
<td>23,98,707 (-1.22)</td>
<td>49,10,143 (5.20)</td>
</tr>
<tr>
<td>2008-09</td>
<td>23,74,449 (-5.45)</td>
<td>22,45,635 (-6.38)</td>
<td>46,20,084 (-5.91)</td>
</tr>
<tr>
<td>2009-10</td>
<td>23,92,478 (0.76)</td>
<td>25,17,875 (12.12)</td>
<td>49,10,353 (6.28)</td>
</tr>
<tr>
<td>2010-11</td>
<td>37,12,723 (55.18)</td>
<td>27,95,459 (11.02)</td>
<td>65,08,182 (32.54)</td>
</tr>
<tr>
<td>2011-12</td>
<td>47,38,095 (27.62)</td>
<td>28,25,092 (1.06)</td>
<td>75,63,187 (16.21)</td>
</tr>
<tr>
<td>Mean</td>
<td>2,39,665.99</td>
<td>4,76,752.15</td>
<td>46,30,051.55</td>
</tr>
</tbody>
</table>

Note: Figure in parenthesis indicate the percentages increased and decreased over the previous year

Source: NAFSCOB-Mumbai (2001-02 to 2011-12)

Deposits, Credit and Credit Deposits Ratios of State Co-Operative Banks in India

The deposits of these institutions have increased from Rs. 36,17,028 lakh in 2001-02 to Rs 86,65,296 lakh in 2011-12, and the average deposits of SCBs had gone to the tune of Rs. 58,16,721.82 lakh in this duration respectively. The compound growth rate noted was 9.13 percent during the period under study. The outstanding loans of the SCBs have revealed increasing trend during the period under study. The table 1.2 shows that the outstanding advances of SCBs have been recorded to the tune of Rs. 32,55,352 lakh in the year 2001-02, which reached Rs.75,63,187 lakh in the year 2011-12. The maximum increase in the outstanding loans has been recorded during the year 2010-11 at Rs. 15,97,829 lakh (32.54 %) over the previous year. The average outstanding advances have been registered in the SCBs to the tune of Rs. 46, 30,051.55 lakh. The compound growth rate has risen up to 8.795 per cent during the period covered under study.
Table 4. Deposits, Credit and Credit Deposits Ratios of State Co-operative Banks in India (Amount in Lakh)

<table>
<thead>
<tr>
<th>Year</th>
<th>Deposits</th>
<th>Outstanding Loans</th>
<th>Credit Deposit Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>36,17,028 (-- -)</td>
<td>32,55,352 (-- -)</td>
<td>90.0</td>
</tr>
<tr>
<td>2002-03</td>
<td>39,11,178 (8.13)</td>
<td>35,05,215 (7.68)</td>
<td>89.62</td>
</tr>
<tr>
<td>2003-04</td>
<td>42,86,301 (9.59)</td>
<td>35,63,719 (1.67)</td>
<td>83.14</td>
</tr>
<tr>
<td>2004-05</td>
<td>44,06,765 (2.81)</td>
<td>35,30,652 (.093)</td>
<td>80.12</td>
</tr>
<tr>
<td>2005-06</td>
<td>47,67,221 (8.18)</td>
<td>38,96,099 (10.35)</td>
<td>81.73</td>
</tr>
<tr>
<td>2006-07</td>
<td>49,19,758 (3.20)</td>
<td>46,67,581 (19.80)</td>
<td>84.87</td>
</tr>
<tr>
<td>2007-08</td>
<td>56,28,692 (14.41)</td>
<td>49,10,143 (5.20)</td>
<td>87.23</td>
</tr>
<tr>
<td>2008-09</td>
<td>71,31,504 (26.70)</td>
<td>46,20,084 (-5.91)</td>
<td>64.78</td>
</tr>
<tr>
<td>2009-10</td>
<td>84,83,773 (18.96)</td>
<td>49,10,353 (6.28)</td>
<td>67.88</td>
</tr>
<tr>
<td>2010-11</td>
<td>81,66,424 (-3.74)</td>
<td>65,08,182 (32.54)</td>
<td>79.69</td>
</tr>
<tr>
<td>2011-12</td>
<td>86,65,296 (6.11)</td>
<td>75,63,187 (16.21)</td>
<td>87.28</td>
</tr>
<tr>
<td>Mean</td>
<td>58,16,721.82</td>
<td>46,30,051.55</td>
<td></td>
</tr>
<tr>
<td>S.D.</td>
<td>18,39,430.67</td>
<td>12,90,830.33</td>
<td></td>
</tr>
<tr>
<td>C.V.</td>
<td>31.62</td>
<td>27.88</td>
<td></td>
</tr>
<tr>
<td></td>
<td>9.13</td>
<td>8.795</td>
<td></td>
</tr>
</tbody>
</table>

Note: Figure in parenthesis indicate the percentages increased and decreased over the previous year

Source: NAIFSCOB -Mumbai (2001-02 to 2011-12)

The loan issued by SCBs have revealed increasing trend during the period under study. It touched the figure of Rs. 34,06,531 lakh in 2001-02 and increased to the figure of Rs. 81,52,345 lakh during 2011-12. The maximum increase in loan issued has been recorded during the year 2004-05 at Rs. 9,46,057 lakh, (27.14%) over the previous year. The average loan issued has been registered in the SCBs to the tune of Rs.51,20,893.09 lakh. The compound growth rate has increased up to 91.18 per cent during the period under study.

Disbursement of Loans

The Table 5 depicted growth pattern of disbursement of loans by SCBs in India, the amount of loan issued shows an increasing trend till 2002-03 and next tear it decreases 11.07 percent over the previous year during the study period and thereafter increased except the year 2006-07 and 2008-09. The compound growth rate of loan issued registered percent and average loans issued is Rs.51,20,893.09 lakh.

Table 5. Growth in Disbursement of loans

<table>
<thead>
<tr>
<th>Year</th>
<th>Disbursement of Loan</th>
<th>% of Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>34,06,531 (-- -)</td>
<td>100</td>
</tr>
<tr>
<td>2002-03</td>
<td>39,20,286 (15.08)</td>
<td>115.08</td>
</tr>
<tr>
<td>2003-04</td>
<td>34,86,449 (-11.07)</td>
<td>102.35</td>
</tr>
<tr>
<td>2004-05</td>
<td>44,32,506 (27.14)</td>
<td>130.12</td>
</tr>
<tr>
<td>2005-06</td>
<td>48,80,354 (10.10)</td>
<td>143.26</td>
</tr>
<tr>
<td>2006-07</td>
<td>47,06,898 (-3.55)</td>
<td>138.17</td>
</tr>
<tr>
<td>2007-08</td>
<td>53,31,376 (13.27)</td>
<td>156.50</td>
</tr>
<tr>
<td>2008-09</td>
<td>51,86,621 (-2.72)</td>
<td>152.26</td>
</tr>
<tr>
<td>2009-10</td>
<td>59,78,395 (15.27)</td>
<td>175.50</td>
</tr>
<tr>
<td>2010-11</td>
<td>68,48,063 (14.55)</td>
<td>201.03</td>
</tr>
<tr>
<td>2011-12</td>
<td>81,52,345 (19.05)</td>
<td>239.32</td>
</tr>
<tr>
<td>Mean</td>
<td>51,20,893.09</td>
<td></td>
</tr>
</tbody>
</table>
Table 5. Growth in Disbursement of loans (Contd....)

<table>
<thead>
<tr>
<th>Year</th>
<th>Disbursement of Loan</th>
<th>% of Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>S.D.</td>
<td>13,72,184.04</td>
<td></td>
</tr>
<tr>
<td>C.V.</td>
<td>26.80</td>
<td></td>
</tr>
<tr>
<td>C.G.R.</td>
<td>91.18</td>
<td></td>
</tr>
</tbody>
</table>

Note: Figure in parenthesis indicate the percentages increased and decreased over the previous year

Source: NAFSCOB-Mumbai (2001-02 to 2011-12)

Recovery Performance of Banks

The total demand of the SCBs has been Rs. 19,58,118 lakh in the year 2001-02 and out of which the recovery made was Rs.16,86,897 lakh, which was around 86.15 percent of the total demand. On the other hand, the total demand in 2011-12 was Rs. 47,91,169 lakh and out of which Rs. 46,06,103 lakh were recovered, which was 96.14 percent.

Table 6. Recovery Performance of State Co-operative Banks in India (Amount Rs. in Lakh)

<table>
<thead>
<tr>
<th>Year</th>
<th>Demand</th>
<th>Recovery</th>
<th>Balance</th>
<th>Recovery (%)</th>
<th>Overdues (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>19,58,118</td>
<td>16,86,897</td>
<td>2,71,221</td>
<td>86.15</td>
<td>13.85</td>
</tr>
<tr>
<td>2002-03</td>
<td>22,41,279</td>
<td>18,43,742</td>
<td>3,97,537</td>
<td>82.26</td>
<td>17.74</td>
</tr>
<tr>
<td>2003-04</td>
<td>22,03,774</td>
<td>18,33,145</td>
<td>3,70,629</td>
<td>83.18</td>
<td>16.82</td>
</tr>
<tr>
<td>2004-05</td>
<td>23,29,419</td>
<td>19,73,608</td>
<td>3,55,811</td>
<td>84.73</td>
<td>15.27</td>
</tr>
<tr>
<td>2005-06</td>
<td>24,38,956</td>
<td>21,03,349</td>
<td>3,35,607</td>
<td>86.24</td>
<td>13.76</td>
</tr>
<tr>
<td>2006-07</td>
<td>27,70,663</td>
<td>24,03,133</td>
<td>3,67,530</td>
<td>86.73</td>
<td>13.27</td>
</tr>
<tr>
<td>2007-08</td>
<td>31,79,454</td>
<td>26,33,473</td>
<td>5,45,981</td>
<td>82.83</td>
<td>17.17</td>
</tr>
<tr>
<td>2008-09</td>
<td>39,60,751</td>
<td>36,17,093</td>
<td>3,43,658</td>
<td>91.32</td>
<td>8.68</td>
</tr>
<tr>
<td>2009-10</td>
<td>34,54,955</td>
<td>31,71,662</td>
<td>2,83,293</td>
<td>91.8</td>
<td>8.20</td>
</tr>
<tr>
<td>2010-11</td>
<td>32,27,299</td>
<td>29,79,191</td>
<td>2,48,108</td>
<td>92.31</td>
<td>7.69</td>
</tr>
<tr>
<td>2011-12</td>
<td>47,91,169</td>
<td>46,06,103</td>
<td>1,85,066</td>
<td>96.14</td>
<td>3.86</td>
</tr>
</tbody>
</table>

Note: Figure in parenthesis indicate the percentages increased and decreased over the previous year

Source: NAFSCOB -Mumbai (2001-02 to 2011-12)
The compound growth rate of 9.36 percent and 10.57 percent has also been recorded during the study period. This reveals excellent recovery to the total demand which is indicative of good recovery performance of the SCBs. The overdue is the difference between total demand and total recovery.

Table 1.5 further reveals that the total demand was Rs. 19,58,118 lakh in 2001-02 and the overdue was to the tune of Rs. 2,71,221 lakh which was 13.85 percent of the total demand. Whereas the total demand and overdues during 2011-12 were Rs 47,91,169 and Rs. 3,36,767.36 lakh which was 3.86 Percent of the total demand. It shows lower percentage of the over dues to the total demand during the period under study that indicates significant recovery performance of the banks.

CONCLUSION

From the above analysis of the State Co-operative Banks, we found that these banks are working efficiently, increasing the profits level and using the managerial talent in a best way. The increasing amount of deposits was achieved as result of increased membership. The overall financial performance of the State Co-operative Banks in all fronts namely, Membership, Share Capital, Deposits, Loans and Advances, Reserve Funds, Working capital, Overdues, Loans issued etc., are showing a significantly trend during the study period The study shows that till the year 2007-08, the bank’s liquidity position was not safe and it has concentrated on credit dispensation rather than on deposit mobilization. Thereafter, the liquidity position has been improved but still it required some improving measurement. The recovery position of the State Co-operative Banks in India improved and it achieve the highest recovery position. Recovery position of bank is better as loan outstanding increases recovery of over dues also increases.

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