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(IJ-01) Assessing Youngster's Perception for M-Wallet Service Quality: A Comparative Study

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Abstract

Mobile banking brings a drastic change in the field of banking sector by the implementation of mobile wallets. India is continuously making efforts to become one of the major digital economies. Popularity of smart phones and use of internet in the country, has given a boost to cashless transaction and digital payments using Mobile wallets. With the passage of time, there has been an increase in the users of different mobile payment apps or mobile wallets which have made easy to carry out E-payment for various transactions. Youngsters are very frequently using these apps nowadays and it would be interesting to know their perception towards these apps. Therefore, this paper aimed to identify the factors of M wallet service quality which influence the perception of youngsters. Further, a comparison has been done between the two popular M wallet; namely Paytm and Phonepe regarding the identified dimensions of service quality. The data was collected from total 242 respondents by using a self structured questionnaire. The area of study was Indore, a city of central India. Principal component analysis was used to find out the factors and independent t test was applied to compare these two apps on the basis of identified dimensions of service quality. As a result, seven factors were identified which influence youngster's perception for service quality of M wallet are User Friendliness, Security and Privacy, Rewards, Customization, Grievance Handling, Service Assistance and Data Synchronization of M-wallet. The study found that Paytm service quality is better in comparison to phonepe with respect to four dimensions User Friendliness, Customization, Service Assistance and Data Synchronization. The study would not only help companies to plan their strategies to design their M-wallet but also facilitate banks to improve their e service quality.

Keyword: M Wallet, Youngsters, Service quality, Paytm, Phonepe.

(IJ-02) A Comparative Study of Marketing for Non-Collegiate Flight Schools and General Higher Educational Institutions

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Abstract

Due to the nationwide shortage of airline pilots and fewer pilot sources with military-training backgrounds, civilian flight training providers are bearing greater responsibility in providing a sufficient number of quality pilots. This study fills the gaps in the literature where a very limited number of studies were conducted for understanding student pilot choice behaviors for flight schools and will ultimately assist training providers to effectively recruit students. More specifically, this study examined student pilots' preference criteria of various non-collegiate flight school choice factors (e.g., overall reputation, location, tuition, training program options, quality, and fleet) and preference criteria of marketing promotion approaches (e.g., websites, social media, conventional media, and contact with flight instructors) when they select a school. The study also examined how student pilots valued the influence of people during their school choice process. Lastly, by comparing typical choice factors with other general higher education institutions, this study informed how marketing efforts of general higher education could be generalized to flight schools.

The study data was based on Jin's (2019) (quantitative) research in which 201 valid survey responses were randomly selected. Jin's (2019) study examined student pilot school choice factors for flight schools in California; the survey instrumentation was modified based on literature that met content validity. This present study used descriptive analysis to analyze data.

Findings

The key findings regarding student pilots' preference criteria of flight school characteristics/choice factors indicated that *training quality, availability of flying opportunities, training costs, safety records of the programs, and reputation of certificated flight instructors* were ranked as the top five important factors affected student pilots' selection of a school. With respect to marketing promotion effectiveness, *contact with school flight instructors, contact with school staff, and word of mouth* (categorized as personal based marketing promotion approaches) were rated as the top three approaches that influenced student pilots' school choice decision-making. In pertaining to influence of people, student pilots had a significant impact on their own decision-making, the followed most influential groups were *school flight instructors, current trainee pilots, and family members*.

Furthermore, this study found that the typical choice factors for flight schools which may not be generalized to other higher educational school choice were (1) the student pilots' preference of *school personal based marketing promotion approaches*, (2) the highlight of *the availability of flying opportunities and safety records of the programs*, (3) the underemphasis of the

importance of *financial aid*, and (4) *school flight instructors* and *current trainees* were valued as more influential than *family members* and *friends* during the school choice process. The findings suggested that the marketing and recruitment effort emphasizes to those non-collegiate flight schools may slightly differ from other general higher educational institutions. Based on the study findings, it is recommended that flight schools should modify their recruitment strategies to meet prospective students' expectations and needs.

(IJ -03) Application of Ancient wisdom for Leadership Effectiveness

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Abstract

Leadership is the trait every manager must possess to become effective. In the present day's complicated and competitive environment, the success or failure of the company depends on the quality and effectiveness of its leadership (Dowsett, 2006)ⁱ. Although it has been perceived for a long time that 'good leaders are born', the new paradigm says that 'good leaders are made, not born'. The corporate world is increasingly hiring these change agents who can catapult the companies to new horizons of success with their influence, vision, and other qualities.

Since the 1930's innovative entrepreneurs discovered the association between leadership effectiveness and organizational achievements. Building leadership effectiveness encourages leaders to develop practices that transform values into action, vision into realities, obstacles into innovations, and risks into rewards.

Leadership effectiveness, however, will not dawn out of the blue unless there is conscious attempt to build it through external interventions such as imparting emotional intelligence, ability to take risk, qualities of tolerance to ambiguity, tolerance to failure, measured optimism, high degree of integrity, sense of appreciation, generous in reward sharing, equanimity in success and failure, fondness for 'trial and error' and the like. The aim of the current research paper is focussed on how to inculcate these qualities so that all managers are at once leaders in their position. The researchers are interested in studying the wisdom of ancient India and try to connect whether Yoga & Meditation, Vedantic outlook, traditions and practices help in developing qualities worthy to imbibe leadership effectiveness. Both Itihasas viz Ramayana & Mahabharata, Gita, Pancha Tantra, Artha Sastra, Bhartrihari's subhashita, Patanjali Yoga Sutra, Shanka's commentaries, the works of Vivekananda, the Parables of Ramakrishna Paramahansa, the works of Aurobindo are the exceptionally brilliant treatises of wisdom. In fact, Panchatantra was designed by Vishnu Sharma to make foolish sons of a king worthy to rule the destiny of the state. The Yaksha Prasna episode of Maha Bharata is a wonderful narration of emotional maturity displayed by Dharmaraja.

The traits like emotional intelligence, stress management, tolerance to risk, tolerance to failure, incessant optimism, integrity in thought and action etc. can be culled out both from sruti and smriti literature. For example, Gita elaborately discusses the concept of sthita prajña who displays equanimity in situations of happiness and sadness.

"One whose mind is not shaken by adversity, who does not hanker after happiness, who has become free from blind attachment, fear and anger, is indeed sage of steady wisdom – sthita prajña." ⁱⁱ – Gita 2.56

The display of tolerance is well demonstrated when, in Maha bhārata, Dharmaraja ensures releasing of Duryodhana from the clutches of a Gandharva in Vana Parva; and again, when he allows Saindhava to survive though he tried to kidnap his wife. While the entire period of exile of Srirama was to uphold the words of his father, the exile of Pandavas was to uphold dharma (righteousness). These are certainly the traits which a leader should emulate.

In this background, the researchers are interested to explore the knowledge imbedded in the ancient society and connect to modern leaders to facilitate spiritual hooks to them. The research is purely exploratory intending to find out pearls of ancient wisdom for modern situations. The literature is culled from data bases such as Proquest, EBSCO, J Gate and a few traditional journals from Indology and other related websites.

Key Words: Leadership Effectiveness, Ancient wisdom, Indology, Organizational Effectiveness.

(IJ -04) An Analysis of the Digital Payments System in India

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Abstract

India is a cash dominated and cash dependent economy. Demonetization forced Indians towards opting and trusting digital payments. In the post demonetization period people came to know that digital payment methods are often easy to make, flexibility and convenient to make payments anytime and anywhere. Indian economy is in the pace of replacing traditional methods of payment with digital payments to accelerate and speed up the transactions in its financial system. Digital payments are vivid range of instruments used in different ways for making payments. Users adopt them according to their need and convenience. This paper makes an attempt to analyze the trends of various digital payment modes available in India and to identify if there is an impact of demonetization on digital transactions. There are number of modes of digital payment systems available in India that is Real Time Gross Payment System (RTGS), National Electronic Funds Transfer System (NEFT), Cheque Truncation System (CTS), Immediate Payment System (IMPS), NACH's Aadhaar Payment Bridge (APB) System, Unified Payments Interface (UPI) and others. From the study it can be concluded that there is an increase in the usage of Retail electronic clearing in the form of NEFT, IMPS and NACH as compared to paper clearing. Card payments are extensively being at POS. Due technological advancement there is an increase in usage of m-wallets and mobile banking. Recently launched digital payment systems such as AEPS, BBPS and UPI have also shown an increasing trend in its usage. With use of demonetization as a dummy variable it is found that there is a significant impact of demonetization on the volume of digital payments in India with an R-square of 73.77%.

INTRODUCTION

From being primarily a cash-obsessed economy, India's digital payment story is new but exciting. Driven by progressive regulatory policies and increased use of mobile internet, Indian payment industry is going through a transformational phase. The next few years will witness a whole new way of how money is moved in the Indian economy.

India is a cash dominated and cash dependent economy. Demonetization forced Indians towards opting and trusting digital payments. In the post demonetization period people came to know that digital payment methods are often easy to make, flexibility and convenient to make payments anytime and anywhere. Indian economy is in the pace of replacing traditional methods of payment with digital payments to accelerate and speed up the transactions in its financial system. Digital payments are vivid range of instruments used in different ways for making payments. Users adopt them according to their need and convenience.

The digital payment industry is gaining momentum and is projected to grow at an exponential rate. 81 per cent of existing digital payment users prefer the medium over other non-cash payment methods like cheques or demand drafts. Online shopping, payment of utility bills (like electricity, mobile bills, water bills, etc.) and movie tickets are the three things that an Indian user primarily pays for through digital platform. An interesting angle to India's digital payment story is that it is going to be dominated by micro transactions (transactions of value lower than Rs 100). In fact, 50% of person-to-merchant transactions are to be under Rs.100, as per the Google-BCG report.

This exponential growth of the digital payment sector is driven by multiple factors including convenience to pay, the ever-growing smartphone penetration, rise of non-banking payment institutions (payments bank, digital wallets, etc.), progressive regulatory policies and increasing consumer readiness to the digital payment platform. Another key driver of digital payments is positive policy framework changes and government initiatives like launch of new payments systems like - UPI, Aadhar linked electronic payments and improvement of the digital infrastructure. The convenience to pay along with the availability of lucrative offers, are two key factors that have been driving the growth of digital payments in India.

LITERATURE REVIEW

Mishra (2017) in her study found that Government is decided to set digital targets for banks and payment firms. The government has taken a holistic approach to digital banking, looking at ways to incentivize train merchants and customers who use digital platforms, food and civil supply with the five lakh ration shops. Government is also planning to educate people well about digital payments. The process of demonetization was not properly planned. Planning for making India truly digital has begun only post demonetization. Joshi (2017) The paper made an attempt to study the trend in various modes of digital payments like NFS Inter Bank ATM Cash Withdrawal, NACH, CTS, IMPS, AEPS, BBPS, UPI, BHIM(UPI) and NETC in last three years. In the study it was found that in previous two years (2015-16 and 2016-17) and especially during the year 2017-18 (up to July 2017) there is remarkable growth in digital payment in volume and value both.

Bhakta (2017) noted that digital payments grew 57% year-on-year in the last fiscal with mobile wallets more than doubling and card payments rising 44%, helped by a strong government push particularly after the demonetization. He had also reported Aadhaar-enabled payment systems and the government-backed, Unified Payments Interface (UPI), have crossed transaction of 8.8 billion. In his article he has also covered details found in interview with AP Hota, MD, NPCI. He reported that hope in increasing in UPI as use of RuPay card is increasing will help to achieve target of 25 billion transactions. 1 lakh BharatQR codes that have been distributed across merchant outlets this year and they have plan to do another additional 93,000 the coming year. RuPay cards had 195 million transactions at PoS terminals and around 87.5 million transactions for online transactions

Bhakta and Variyar (2017) reported that The Ratan Watal committee recommend proper measures for encouraging digital payment in India, may have envisaged a rosy picture for digital transactions and recommended sweeping changes to regulation

around payments. But industry executives and experts felt that the report was extremely futuristic and almost verges on wishful thinking as several recommendations are likely to face implementation issues.

Agarwal and Variyar (2017) reported in their article that in Budget our finance minister Arun Jaitley encouraged digital payments and announced a mission targeting at least 2,500 crore cashless transactions in 2017-18 through payment modules such as the government's Unified Payments Interface (UPI) and Aadhaar Pay. The biometrics-based payments system will be launched shortly, for which banks will be encouraged to roll out 2 million Aadhaar-linked payments terminals by September. He also put a proposal to mandate all government receipts through digital means beyond a limit is also under consideration.

Variyar (2017) reported issues of digital payment did not consider in Budget 2017. Such issues were: costs of incentivizing digital payments should be borne by government and RBI and not customers or financial intermediaries. Other issue was interoperability and open access to payment systems by non-bank payment service providers emphasized by Ratan Watal Committee. She also reported an issue related to role of NPCI.

Ravi (2017) in his study found great scope of digital payment in rural India as it is faster and cheaper. He also argued that NPCI had developed new payment application, which are designed to work on all phones with or without internet and even without phones is helping rural India. He also emphasized on advantages of new digital payment system like: reduction in transaction cost, development of IT act in support of digital payment system, scope for development of ICT in India and ease in day settlement for merchants and small retailers.

Kumari and Khanna (2017) mentioned that cashless economy initiative will be of significant benefits to developing economy; hence the cashless system will be helpful in the fight against corruption and money laundering. One most significant contribution of the cashless economy is that it is expected to reduce the risk associated with carrying cash like loss of cash, theft and armed robbery, which will drastically reduce. They have also put an argument about positive relationship between cashless and economic growth.

OBJECTIVES OF THE STUDY

1. To analyse the trends of different modes of digital payment systems in India.
2. To study the impact of demonetization on the volume of use of digital payments.
3. To analyse benefits and drawbacks of using digital payment system in India

RESEARCH METHODOLOGY:

Secondary data has been used for this data. OLS regression model has been used to study the impact of demonetization on usage of digital payments for a period of 10 years from 2009 to 2019. A dummy variable is created which represents the event of demonetization. The accessible secondary data is intensively used for research study

OVERVIEW OF DIGITAL PAYMENTS IN INDIA

The Payment and Settlement Act, 2007 has defined Digital Payments, as any "electronic funds transfer" that is any transfer of funds which is initiated by a person by way of instruction, authorization or order to a bank to debit or credit an account maintained with that bank through electronic means and includes point of sale transfers; automated teller machine transactions, direct deposits or withdrawal of funds, transfers initiated by telephone, internet and, card payment.

Segments of payment system

The payment system could be bifurcated into two main segments.

1. Instruments which are covered under Systemically Important Financial Market Infrastructure (SIFMIs),

2. Retail Payments.

Systemically Important Financial Market Infrastructure (SI-FMI)

It is defined as a multilateral system among participating institutions, including the operator of the system, used for the purposes of clearing, settling, or recording payments, securities, derivatives, or other financial transactions.

Under this segment (SIFMI) there are four instruments of payments:

1. RTGS: Real Time Gross Settlement is defined as the continuous (real-time) settlement of fund transfers individually on an order-by-order basis (without netting). 'Real Time' means the processing of instructions at the time they are received rather than at some later time; 'Gross Settlement' means the settlement of fund transfer instructions occurs individually (on an instruction-by-instruction basis). This system is primarily meant for large value transactions. The minimum amount to be remitted through RTGS is Rs 2 lakh. For inter-bank fund transfer there is no floor.

1. CBLO: Collateralized Borrowing and Lending Obligation (CBLO) is a money market instrument developed by Clearing Corporation of India Ltd. (CCIL), introduced in 2003. This represents an obligation between a borrower and a lender to the terms and conditions of a loan. It also does not entail physical transfer of respective securities from borrower to lender or vice versa.
2. Government Securities: A Government Security (G-Sec) is a tradeable instrument issued by the Central Government or the State Governments.
3. Forex Clearing: The term 'Forex' stands for Foreign Exchange. In simple terms it is the trading in currencies from different countries against each other. In India the settlement of Forex transactions is done by CCIL which was started in 2002.

Retail Payments

Under the Retail Payments segment which has a large user base, there are three broad categories of instruments.

They are (1) Paper Clearing, (2) Retail Electronic Clearing, (3) and Card Payments. The instruments under these three categories are discussed below:

(1) Paper Clearing

- Cheque Truncation System (CTS): CTS or online image-based cheque clearing system is a cheque clearing system undertaken by the Reserve Bank of India (RBI) for faster clearing of cheques. It eliminates the associated cost of movement of physical cheques.
- Non-MICR: The Non-MICR clearing refers to the process of manual clearing of cheques where the cheque is physically moved between the bank branches/banks for clearing. MICR (magnetic ink character recognition) is a technology used to verify the legitimacy or originality of paper documents, especially checks.

(2) Retail Electronic Clearing

- ECS DR/CR: ECS (Electronic Clearing System) is an electronic mode of payment / receipt for transactions that are repetitive and periodic in nature. DR/CR is 'Debit Record or Credit Record'. ECS facilitates bulk transfer of monies from one bank account to many bank accounts or vice versa. ECS includes transactions processed under National Automated Clearing House (NACH) operated by National Payments v Corporation of India (NPCI).
- NEFT: National Electronic Funds Transfer (NEFT) is a nation-wide payment system facilitating one-to-one funds transfer. Under this scheme, individuals, firms and corporates can electronically transfer funds from any bank branch to any individual, firm or corporate having an account with any other bank branch in the country participating in the scheme.
- IMPS: Immediate Payment Service (IMPS) offers an instant 24X7 interbank electronic fund transfer service through mobile phones. IMPS is an emphatic tool to transfer money instantly within banks across India through mobile, internet and ATM. It is offered by National Payments Corporation of India (NPCI).
- UPI: Unified Payments Interface (UPI) is a system that powers multiple bank accounts into a single mobile application (of any participating bank), merging several banking features, seamless fund routing & merchant payments into one hood.
- BHIM is an app that lets you make simple, easy and quick payment transactions using Unified Payments Interface (UPI). You can make instant bank-to-bank payments and Pay and collect money using just Mobile number or Virtual Payment Address (VPA).
- *99#: USSD based mobile banking service of NPCI was initially launched in November 2012. The service had limited reach and only two TSPs (Telecom Service Provider) were offering this service i.e. MTNL & BSNL. Understanding

the importance of mobile banking in financial inclusion, *99# was dedicated to the nation by Hon'ble Prime minister on 28th August 2014, as part of 'Pradhan Manti Jan Dhan Yojna'.

- USSD (Unstructured Supplementary Service Data) is a Global System for Mobile (GSM) communication technology that is used to send text between a mobile phone and an application program in the network.
- NACH: "National Automated Clearing House (NACH)" is a service offered by NPCI to banks which aims at facilitating interbank high volume, low value debit/credit transactions, which are repetitive and electronic in nature. It allows participating banks for centralized posting of inward debit/credit transactions and is run by NPCI.
- AEPS is a bank led model which allows online interoperable financial inclusion transaction at PoS (MicroATM) through the Business correspondent of any bank using the Aadhaar authentication
- BBPS is a one-stop payment platform for all bills providing an interoperable and accessible "Anytime Anywhere" bill payment service to all customers across India with certainty, reliability and safety of transactions. The payment modes options facilitated under BBPS are Cards (Credit, Debit and Prepaid), Account transfer, IMPS, Internet Banking, UPI, Wallets, AEPS and Cash. It also provides instant confirmation of payment via an SMS or receipt
- BQR is Person to Merchant (P2M) Mobile payment solution. Merchants need to display QR codes in their premises. User can scan these QR via BQR enabled mobile banking app and pay using Card linked account / VPA / IFSC + Account / Aadhaar.
- NETC is national wide cashless payments of toll fee with nationwide inter-operable network

(3) Card Payments

- Credit Card: A credit card is a card issued by a financial company which enables the cardholder to borrow funds. The issuer pre-sets borrowing limits which have a basis on the individual's credit rating.
- Debit Cards: A debit card is a payment card that deducts money directly from a consumer's bank account to pay for a purchase and eliminate the need to carry cash or physical checks to make purchases.
- Pre-Paid Instruments (PPIs): PPIs are payment instruments that facilitate purchase

of goods and services, including financial services, remittance facilities, etc., against the value stored on such instruments.

EVOLUTION OF DIGITAL PAYMENTS IN INDIA

India's digital payments system - has been evolving robustly over the past many years, spurred by developments in information and communication technology, and fostered in consonance with the path envisioned by the Reserve Bank of India.

Important milestones attained in process of development of the payments system include:

- Introduction of MICR clearing in the early 1980s. It is online image-based

cheque clearing system where cheque images and magnetic ink character recognition (MICR) data are captured at the collecting bank branch and transmitted electronically.

- Electronic Clearing Service and Electronic Funds Transfer in the 1990s.
- Issuance of credit and debit cards by banks in the 1990s.
- National Financial Switch in 2003 that brought about interconnectivity of ATMs across the country.
- RTGS and NEFT in 2004.
- National Payments Corporation of India (NPCI) was established in 2008–has been spearheading the development of the retail payments system
- Cheque Truncation System (CTS) in 2008. Cheque Truncation System (CTS) or Image-based Clearing System (ICS) is for faster clearing of cheques. Cheque truncation means stopping the flow of the physical cheques issued by a drawer to the drawee branch.
- 'Card not present' transaction in 2009. It is most commonly used for payments made over Internet, but also mail-order transactions by mail or fax, or over the telephone.
- New RTGS with enhanced features in 2013 that required banks to adopt ISO 20022 standard messaging formats. The objective of introducing ISO 20022 standard message format for payment system is to bring about standardisation in the messaging formats for various payment systems in the country and to conform to international standard.
- Non-bank entities have been introduced in the issuance of pre-paid instruments (PPI), including mobile and digital wallets. BHIM (Bharat Interface for Money) is a mobile payment App developed by the National Payments Corporation of India (NPCI), based on the Unified Payments Interface (UPI).

These developments capture the evolution of the Digital Payments ecosystem in the country.

ANALYSIS OF VARIOUS DIGITAL PAYMENT MODES IN INDIA

1) PAPER CLEARING

Paper clearing is a medium of retail payments. It includes cheque clearing systems that is CTS and NON-MICR. CTS refers to Cheque Truncation System which is online image-based cheque clearing system and Non-MICR refers to the process of manual clearing of cheques. From the following paper clearing analysis for a period of last five years there is a decreasing trend in the usage of Non-MICR clearing, while the usage of CTS clearing has shown an increasing trend till 2018-19 while it has decreased to 882.98 lakhs in 2019-20

Table 1. Paper Clearing (Volume in Lakhs)

	CTS	Percentage Change	NON MICR	Percentage Change
2015-16	798.66	-0.67 %	114.99	-34.05
2016-17	926.55	16.01 %	79.03	-31.27 %
2017-18	948.37	2.36 %	27.72	-64.92 %
2018-19	920.46	-2.94 %	10.45	-62.30 %
2019-20	882.98	-4.07 %	2.76	-73.63 %

Source: Authors Compilation

2) RETAIL ELECTRONIC CLEARING

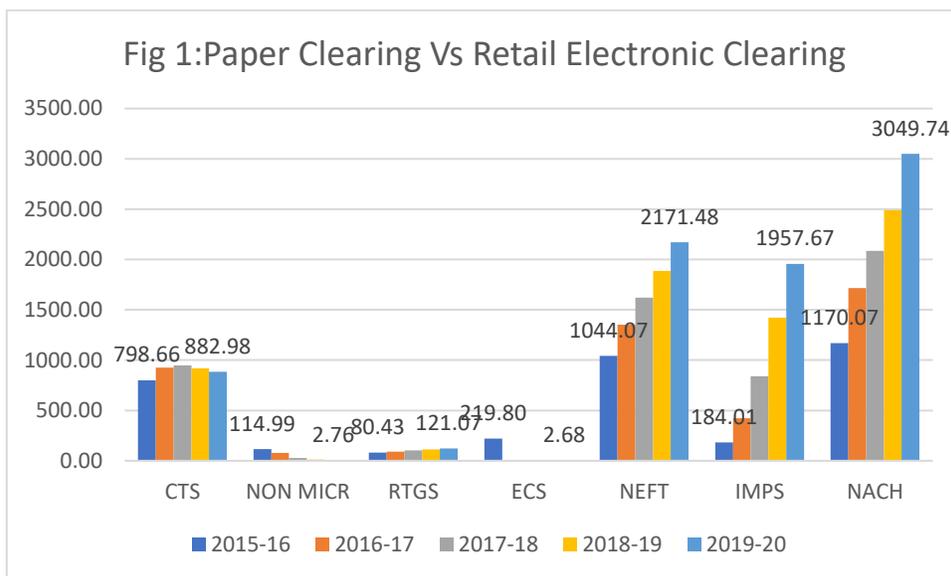
The retail electronic clearing is online mode of payments which includes RTGS(Real Time Gross Settlement, ECS (Electronic Clearing System) , NEFT (National Electronic Fund Transfer), IMPS(Immediate Payment Service), NACH (National Automated Clearing House). During the study period it has been observed that the usage of RTGS, NEFT, IMPS and NACH have shown an increasing trend while the usage of ECS has decreased over the years

Table 2. Retail Electronic Clearing

	RTGS	% Change	ECS	% Change	NEFT	% Change	IMPS	% Change	NACH	% Change
2015-16	80.43	4.04	219.80	-22.73	1044.07	35.07	184.01	181.74	1170.07	312.76
2016-17	89.88	11.75	6.40	-97.09	1351.75	29.47	422.28	129.48	1714.39	46.52
2017-18	103.71	15.39	6.40	0.00	1621.96	19.99	841.50	99.28	2086.22	21.69
2018-19	111.81	7.80	5.46	-14.62	1887.73	16.39	1420.66	68.83	2491.56	19.43
2019-20	121.07	8.29	2.68	-50.91	2171.48	15.03	1957.67	37.80	3049.74	22.40

Source: Authors Compilation

A comparison has been made between the paper clearing and retail electronic clearing modes of payments.



Source: Authors Compilation

As per figure: - 1 it can be analysed that there has been a tremendous growth in the usage of NEFT from 1044.07 lakhs to 2171.48 lakhs, IMPS significantly increased from 184.01 to 1957.67 lakhs, NACH rose from 1170.07 lakhs to 3049.74 lakhs, while the usage of Non MICR reduced. Therefore, the usage of electronic clearing is highly being preferred as compared to the old method of paper clearing.

3) CARDS

Cards payment is another mode of payment which is classified into two types that is debit and credit card. A debit card is card wherein the customer uses funds from his own account while a credit card is a form of loan wherein the bank gives you a amount on which interest is charged. A debit card as well as credit is used at the ATM and POS. as per the data collected the following tables show the usage of debit and credit card at ATM and POS.

Table 3 Debit Card Usage (Volume in Lakhs)

Debit Card	Usage at ATM	% Change	Usage at POS	% Change
2015-16	6727.82	15.39	978.01	45.23
2016-17	7135.88	6.07	1999.42	104.44
2017-18	7168.55	0.46	2786.16	39.35
2018-19	8152.90	13.73	3642.47	30.73
2019-20	8155.26	0.03	4232.41	16.20

Source: Author's Compilation

- From the above analysis on debit card usage, it is found that there has been a tremendous increase in the usage at POS as compared to ATM. Usage at POS has increased from 978.01 lakhs to 4332.41 lakhs. During 2016-17 there is an increase of 104.44 % usage at POS, a major contributor being Demonetization during this period.

Table 4 Credit Card Usage (Volume in Lakhs)

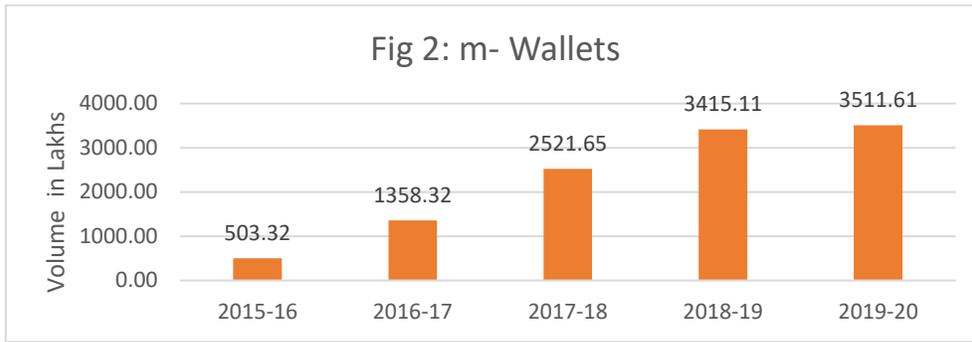
Credit Card	Usage at ATM	% Change	Usage at POS	% Change
2015-16	5.00	39.90	654.73	27.73
2016-17	5.31	6.24	905.94	38.37
2017-18	6.51	22.56	1170.97	29.25
2018-19	8.10	24.42	1454.71	24.23
2019-20	8.47	4.62	1776.18	22.10

Source: Author's Compilation

From the above analysis it is found that credit cards are also being used as instrument of payments. There is an increase over the years in the usage of credit cards at ATM as well as POS. At ATM usage has been increased from 5 lakhs in the year 2015-16 to 8.47 lakhs in the year 2019-20 and at POS usage has been increased from 654.73 lakhs in the year 2015-16 to 1776.18 lakhs in 2019-20.

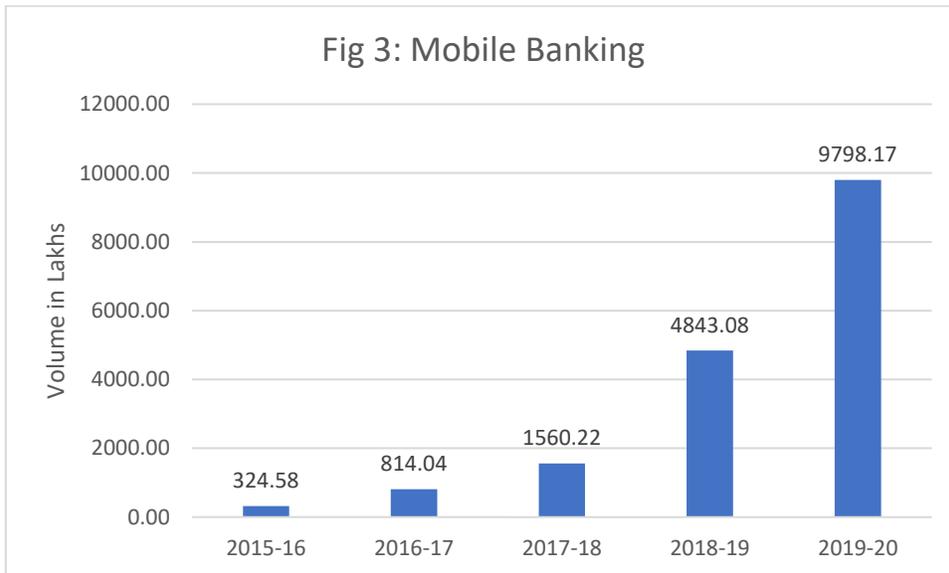
4) M-WALLETS

Another mode of payment is the m-Wallets which is a prepaid instrument. With the advance of technology and increase in the use of smartphones m-wallets are being widely used. During the study there has been an increase in the use of m-wallets.



Source: Author's Compilation

5) MOBILE BANKING

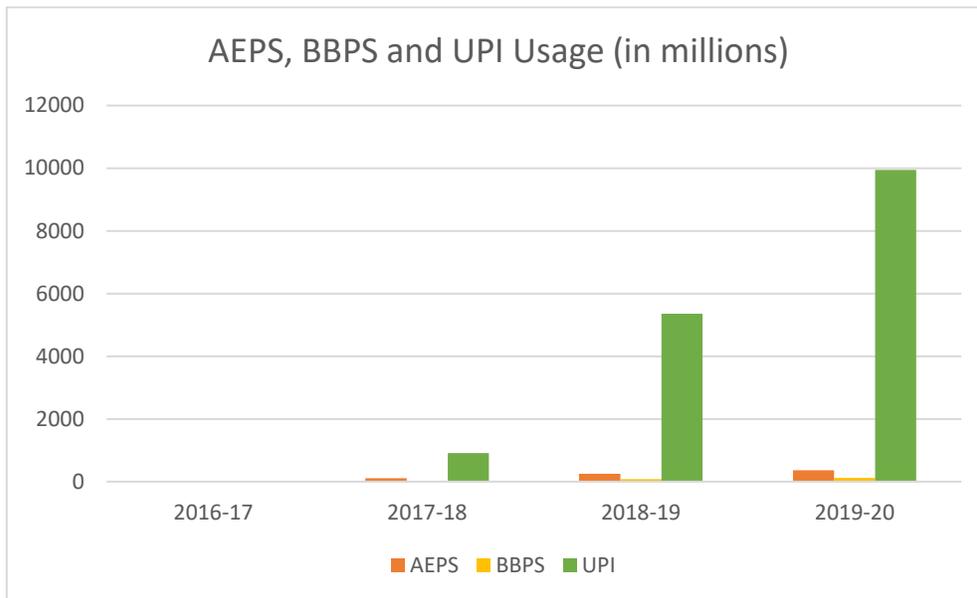


Source: Author's Compilation

Mobile banking is being widely used due to convenience and ease. It has shown a significant growth in usage during last 5 years.

It rose from 324.58 lakhs in 2015-16 to 9798.17 lakhs in 2019-20.

6) OTHER DIGITAL PAYMENT PLATFORM



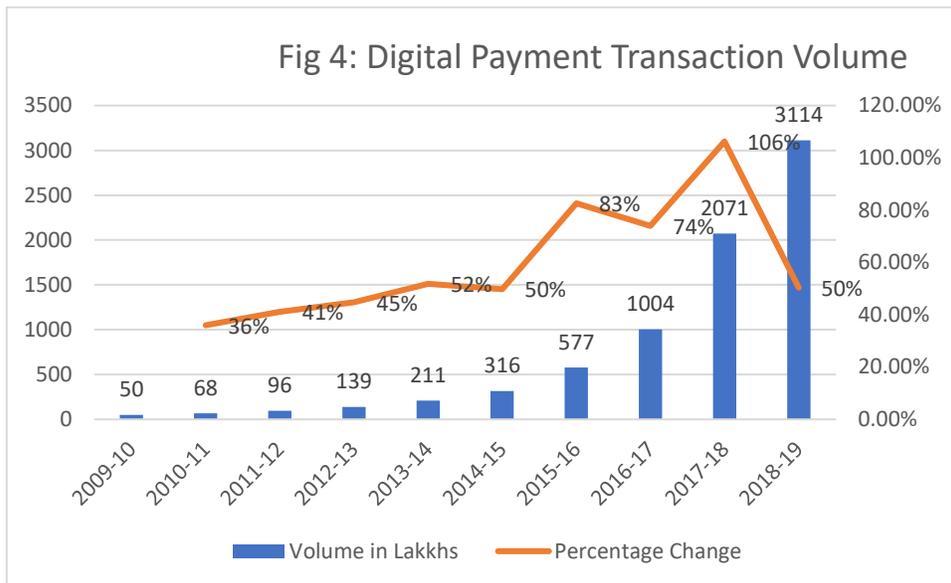
Source: Author's Compilation

From the above graph it can be analysed that AEPS (Aadhaar Enabled Payment System), BBPS (Bharat Bill Payment System) and UPI (Unified Payment Interface) have shown a significant increase from 2016 to 2019. Usage of AEPS rose to 362.05 millions in 2019-20 from 16.29 million in 2016-17. While usage of BBPS was very low in the year 2016-17 , very high in 2019-20 with usage of 114.92 million.

Usage of UPI tremendously increased from 17.86 million in 2016-17 to 9946.08 million in 2019-20

OVERALL GROWTH IN DIGITAL PAYMENT TRANSACTIONS VOLUME

Over the years there has been a significant growth in digital payments as seen in figure 4. In the year 2010-11 the country seen 68 lakhs digital payment which kept increasing to 1004 lakhs in the year 2016-17. There was an increase from 36% to 74% usage in digital payment during year 2010 to 2016-17. Further increase of 104% is seen in the year 2017-18, wherein the usage increased to 2071 lakhs. This increase can be attributed to the demonetization effect, development of innovative digital payment platforms such as UPI, BHIM, payment service providers.



Source: Author's Compilation

Impact of demonetization on use of digital transactions

An regression analysis has been used to study the impact of demonetization on the usage of digital payment transactions in India.

$$Y = \alpha + \beta_1 X + e$$

Volume of digital payments (in lakhs) is taken as the dependent variable i.e 'Y' while the event demonetization which took place on 8th November 2016 is taken as the dummy variable i.e 'X'.

Table: OLS regression Model: Impact of demonetization on usage of digital transactions

	Coefficient	Std. Error	t-ratio	p-value	R-square	F-statistics
const	7654.98	431.786	17.7286	<0.00001***	0.737690	4.36e-36
Dummy	14564.5	799.513	18.2167	<0.00001***		

Source: Author's Compilation

From the above OLS regression output it can be analysed that the p-value is below 0.05 therefore the null hypothesis is rejected at 5% significance level that is demonetization has an impact on the usage of digital payments in India. The coefficient obtained for the dummy variable is 14564.5 which implies that there has been a positive increase in usage of digital payments. The R-square obtained is 73.77% which explains the model to have a significant impact. There has been a tremendous increase in the usage of digital payments by people in the post demonetization period. Indicating that India is moving from a cash-based economy to now a cashless economy.

BENEFITS OF DIGITAL PAYMENTS

- a) Quick and convenient mode of payments:

The speed in the payment process with the no waiting time and convenience in handling the transactions is the ultimate advantage of digital payments.

- b) Low transaction handling cost:

The payment apps and UPI interface are free of cost and do not demand any charges from the users.

- c) Waivers, discounts and cash backs:

There are many rewards and discounts offered to customers using digital payment apps and mobile wallets. There are attractive cash back offers given by many digital payment banks, which motivate the customers to go cashless.

- d) Tracking of transactions:

Customers can have evidence of the transactions made by them and track the record of all the transactions made by them irrespective of its value.

- e) Platform for paying bills:

The digital payment systems have made a convenient platform for paying utility bills in a single click. Consumers are busy with their routine life, so they find it more convenient to make digital payments.

- f) No movement of physical currency:

Digital transactions will help the government keep a record of all the transactions. There by it eliminates circulation of black money and counterfeit notes in economy in its long run survival. The cost of maintain and minting to currency notes reduces on the part of government.

DRAWBACKS OF DIGITAL PAYMENTS

The following are some of the challenges faced by India in the era of digital payments

- a) Literacy Rate in India: The literacy rate in India was at 74.04% in 2011, but the financial and computer literacy is much lower than this rate
- b) Risk of Security & Cyber Fraud: The problem of hacking, data theft, security breaches continue to reflect in the digital payment which is the main hindrance objecting users to trust the digital payments. A recent example is an attack on 3.2 million RuPaycard details stolen in October 2016.
- c) Privacy problems: Some users think that the data can be accessed by other parties and thereby they do not come forward to utilize the services of digital tools.

CONCLUSION

Demonetization forced Indians towards opting and trusting digital payments. In the post demonetization period people came to know that digital payment methods are often easy to make, flexibility and convenient to make payments anytime and anywhere. Indian economy is in the pace of replacing traditional methods of payment with digital payments to accelerate and speed up the transactions in its financial system. Digital payments are vivid range of instruments used in different ways for making payments. Users adopt them according to their need and convenience.

The digital payment space is being transformed and the sector has witnessed tremendous growth, innovations, and regulatory support over the last two years. Such has been the changes that India has become the most evolved country when it comes to the digital payment ecosystem. The focus should be to keep the momentum going with more support from the government and innovations, safety, and convenience from the players.

From the study it can be concluded that Increase in the usage Retail electronic clearing in the form of NEFT, IMPS and NACH as compared to paper clearing. Card payments are extensively being at POS. Due technological advancement there is an increase in usage of m-wallets and mobile banking. Recently launched digital payment systems such as AEPS, BBPS and UPI have shown an increasing trend in its usage. The OLS regression model explains that demonetization have a significant impact on usage of digital transactions. there has been a tremendous increase in the usage of digital payments by people in the post demonetization period. Indicating that India is moving from a cash-based economy to now a cashless economy.

Convenience, ease, record of transactions by government, waivers, discounts and cashbacks are the advantages of digital payments. While disadvantages of digital payment are risk, cyber security, fraud, overspending and lower computer literacy.

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(IJ -05) Strategic Planning and HR Policy Development by Case Study.

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Abstract

Strategy is long term, forward looking, vision based form used in today's business scenario. Strategy is a road map, created to reach the specific purpose based on the vision and mission of the organization. Organization may get results beyond their expectations from employees if they adopt strategic planning. Strategic planning of HR Department starts for recruitment process, followed by training to the fresh employee, monitoring of his . her performance & developing the employee versatile for the organizational goals.

Strategic planning in crises is explained by the case study on overcoming high % of rejection in manufacturing of brake drums in an industry. A leading foundry named Ghatage Patil Industry had a huge order of casting of brake drums for cars of Maruti Suzuki Industry Ltd. GPI team engaged with the new job after design & development of the product & quality control team in full swing to reach the target. They started working in all three shifts with improved production capacity. GPI was shocked by the % rejection of @ 80% in the first lot. A team of seniors in the industry was formed for investigation regarding the problem to find out root causes for poor performance in quality. Team had inspected thoroughly in each and every department and also workers/ supervisors too. Team could not find any sound cause or solution over the problem. GPI team started working cautiously & with more precision which resulted in bringing down % rejection up to 65 % only in second lot. Production level of Maruti cars was hampered badly. They called upon seniors of GPI to minimize % rejection & warned that if they could not achieve it within a month, Maruti will change their vendor. HR team was also trying to find out lacunas in system to solve the problem of % rejection but could not succeed. Not only the top management of GPI but the full staff was also worried about it. A recently recruited middle level metallurgy engineer posted Assistant Production Manager (APM) was not at all in the picture in investigation. He started his own way of observing and data collection as if third party. He was having altogether different analysis of the problem. Being middle level staff & quite new employee in GPI asked for appointment of CEO to express his view. CEO of GPI could not pay attention to him for about 10 to 11 days being worried about the future of industry due to high % of rejection. He gave hardly 5 minutes to APM for discussion. CEO became uneasy after hearing the APM. He pointed out three key persons in GPI related to the problem as per his ideas. In the scenario of changing technology & acceptance criteria of modern industries, it was very difficult to stick up with traditional approach in shop floor. The juniors & middle level workers as well as supervisors were trying to implement their recent knowledge & skills for the huge order to GPI. They were trying to overrule the guidance by the key persons sometimes for the benefit of the industry only. Solution suggested was three Key persons may be honored by sending them to foreign countries for at least a month for business development.

Key words - APM - Assistant Production Manager, CEO - Chief Executive officer, GPI - Ghatage Patil Industry,

Introduction

Strategy is long term, forward looking, vision-based form used in today's business scenario. Linguistically speaking, strategy refers to the game plane for attacking and counter-attacking the enemies during war. Strategy is a road map, created to reach the specific purpose. Strategic planning depends upon the vision and mission statements of the organization. Vision and mission statements are practically converted into reality by human being only. Organization may get results beyond their expectations from employees if they adopt strategic planning.

Materials and Methods

Strategic planning started from the recruitment policy of H.R. Today lots of organization select the trainee engineers/ supervisor/ accountants/ clerks from the campus recruitment. It is not only because of Government of India policy of apprenticeship act to make people skillful but to attract best talents & skills in freshers. H.R. department selects trainee step by step. HR policy related to trainee engineers of new and matured organizations are totally different. If HR policies are not clear and specified, then recruited persons may not fully utilized by the organization. Today leading organization in the field of IT like Infosys, recruit fresh IT professional from the campus and keep them on bench in waiting. (Actually, no work for these people) They book the manpower/ human talents well in advance. They prefer mainly fresher as he or she can be trained / molded as per the policies of Infosys.

Second step in strategic planning is to allocate right place for each employee. During first one to two months, most of the organizations provide short term training to each fresher. When training is over, every fresher must go through short test or presentation. According to their quality and requirement, HR department allot specified department to employee. Aim of this short-term training is to understand all departments and their responsibility of work, actual industrial environment, current status of organization in the market. Also, organization inform fresher about vision and mission statements, current & future plans and their role in that plan.

Aim of HR department to observe & predict the capabilities of each employee from all directions through 360⁰. When H.R. prepare policy, they must think about their policy applicable to human being & not for the robots. Every human being is having different way of thinking, doing & decision making. Therefore, generate such a policy which is reasonably flexible for overall development of employee. There are many areas where H.R. department concentrate. Areas like skill development, decision making, situation handling, leadership, technical updates, market knowledge, social awareness, behavior in a group or team as a member etc. are some of the qualities considered where strategic planning is applicable. When H.R. department generates new policy, they must think about what is the objective of this policy? For whom Policy is made? Total duration of implementing policy? Is its short term, medium term or long-term policy? What is the outcome of policy? How will they measure the success of policy? Which is the smooth way of implementation of policy?

When a fresher gets allotted to specific department, employee must know his/ her own authority and responsibility, Continuous monitoring of each employee during their probation period is most essential. Their seniors are also advised how to monitor their new colleague. If atmosphere is good, friendly, helpful, fresher can also show good result in their assigned work.

Lots of organizations have no proper method of conveying deficiencies to freshers. Due to improper handling the situations or fresh employees, they lose the good talents. Here red pencil approach must be avoided. Develop such type of human tackling skill among the seniors is the part of strategic planning. In this situation, first understand the person's socio-economic background. With good words, tell him/her the mistake or deficiency occurred in the work. Protect you juniors & never fire them in front of senior authority. Always, give them chance to improve their performance. Ignore their small mistakes. But take care that their mistakes are not done repeatedly. Make a good friendship with each employee.

All the above points are part of strategic planning. After a specific period, monitor the departmental performance. Positive developments are conveyed to employee through proper channel with some reward.

Results and Analysis

Merits of strategic planning

1. Every employee get monitored at different level.
2. Develop the skills in the employee.
3. Employee can give better contribution to the organization.
4. Maintain the good, healthy, human touch atmosphere among the employees.
5. Organization can smoothly move ahead on the predetermined path.
6. Not only new employees, but seniors also became more mature/ capable of handling any problem.
7. With strategic planning each department of organization maintain their good performance not only for few months or years but also for few decades too. e.g., Tata Group, L. & T. Group

Demerits of strategic planning

1. Juniors may not respect seniors due to friendly relations.
2. May result in less punctuality of juniors.
3. Subordinates may take undue advantage of kindness of boss.
4. Subordinates may take instructions casually.

Discussion

Case Study on Overcoming high % of Rejection in Manufacturing of Brake Drums

A leading foundry named "Ghatage Patil Industries Ltd." (GPI) located in Unchagaon, Kolhapur-416005, Maharashtra state. India had a huge order of casting of brake drums for leading car manufacturer Maruti Suzuki India Ltd, Delhi. The first lot of production was manufactured & dispatched to Delhi with great enthusiasm by GPI. The staff of production department was engaged in further production of the same brake drums as the order quantity was very large in short duration to reach the target. Top management had recruited a new engineer who was senior metallurgists to handle the huge production of brake drums. He joined GPI as Assistant Production Manager (APM) on the day of starting production of brake drums for Maruti cars.

Within a week after dispatch of first lot, GPI was shocked by letter from Maruti cars stating that there was 80 % rejection. Everybody in the industry was worried by such a pitiable performance & chances of cancelling the order. It was not only failure in quality but made the financial crunches too as huge investment was done in the development of the product for Maruti group. Every department in GPI started blaming other department for such a poor performance. There were so many doubts in the minds of GPI workers as well as management. e.g. Doubts about raw material quality, whether design & development department had done their job perfectly or no? negligence by workers in production, negligence of supervisory staff in production department, whether quality control staff had really checked the brake drums, or no? whether dispatch department had sent the product correctly or there is something wrong? Even people were suspecting the marketing department who have grabbed such a huge order & the purchase department of Maruti group too. There was no system like Six sigma or 5-S or Total Quality management (TQM) implemented by GPI @ 20 years ago. There was no point in blaming each other in the departments. The industry had to come up with sound solution by minimizing rejection in phase - I & then towards zero % rejection in phase - II. GPI started investigating the causes of such rejection starting from purchase till dispatch including marketing staff.

It was wondering that the investigation team of seniors in GPI could not find any major issues or causes of rejection. Now the problem was left to be handled by H R department of GPI. There were so many meetings, discussions, brain storming sessions conducted in GPI on the issue of rejections to find out solution. The production of brake drums was going on continuously with all the precautions & checking the quality of product at each and every level. By the time second lot brake drums was ready & dispatched to Maruti cars expecting that now % rejection will be very low or nil. But it became a daydream for GPI as the rejection came down hardly from 80% to 65% only. Maruti group was also unhappy with GPI as their production level was hampered due to high % of rejection. They called upon seniors from purchase, production, quality control department & CEO of GPI for discussion. By humble request from GPI, they got the last chance to continue the order subjected to supplying acceptable quality of brake drums within a month. The H.R. manager & his staff were trying their level best to find out the loopholes in the total system to control the % rejection. They tried to do work study, motion study, time required for each process as well as kept watch on every worker and supervisor in production, Q.C., finished goods store & dispatch departments. The

environment in the industry was suspicious which has affected the production level too. The interpersonal & inter departmental relations & communications were less & cautious. Top management was worried about the reducing % of rejection of brake drums as there were in financial crunches & likely to lose such an excellent order in future. The APM recently recruited was not at all in picture as he was altogether new in GPI. He had just observed the crises in the industry due to high % of rejection & worried about it. He was unable to establish good relations even within his department. He started analysis of the things happening in each & every department even though as he was supposed to concentrate only on production level both by quality & quantity. After about one & half month from his joining in GPI, he requested the CEO to spare half an hour with him. The CEO gave him appointment for hardly 5 minutes after about a week as he was not expecting much from recently joined APM. He was more hopeful for solutions over % rejection from H R department & other senior managers of GPI as they were highly experienced & associated with GPI for few decades. The said appointment of 5 minutes was again postponed by CEO twice for next 3 to 4 days. APM being new in GPI was disappointed as CEO has postponed his appointment thrice & ready to spare only 5 minutes. APM went to the cabin of CEO, given him small presentation in person in three minutes instead of his demand of half an hour. He said politely that, he was quite new in GPI & not in capacity or in position to change the policies, but what he felt regarding the problem of rejection. He had pointed out few key persons in the production line behind the problem namely the Production Manager & two senior supervisors in Q.C. department who were associated with GPI for last 25+ years & in close contact with directors of GPI. It was a big shock for the CEO hearing the key persons likely to be responsible behind the huge rejection. They were very close to CEO also. He went in dilemma after hearing words of APM. He asked for a glass of water immediately from him as he felt uneasy & rising of his blood pressure suddenly. It was totally beyond his imagination & unbelievable for him as nobody even suspected about them. For a moment, CEO became speechless & then came back to normal stage. He forgot about the further appointments & his most busy schedule on that day. His secretary reminded him about further appointment by phone as already more than 10 minutes were over instead of 5 minutes. He warned secretary not to disturb him & not to allow anybody even directors of GPI to enter in his cabin. He humbly requested APM to explain the things again in details & to be very frank & clear about his views. "Pardon Sir!" said the Asst. production manager. " I am quite new in your GPI & hardly having experience of @ 15 years as engineer in metallurgy only." You may feel that I am against somebody or eager to grab the post of Production Engineers in GPI. I am not having any experience in administration or in H R department at all. My views regarding the problem of higher rejection are based on the third-party observations. I am neither having any prejudice mind about anybody nor any relations or friendship or soft corner with anybody at all. But I am very much sure about my observations & predictions in last 50 to 55 days in GPI." The key persons pointed out were very senior, experienced & close with all top management & beyond the scope of doubt totally. They were the members of the team of investigators of problem. Therefore, they were out of reach of investigations & scrutiny for finding loopholes, lacunas. It was bit difficult to take any action against any of these members. They were having their track record very good & not a single blot in their services up till

now. They were not having any wasted interest against GPI. It was a confusing the CEO. He was unable to even guess that they had diverted the attention from root cause of the problem. Anyhow it was a tough time for him to believe on the opinion of APM. APM said that the production manager & both the supervisors were devoting fully & taking lead in the fulfillment of target by traditional ways. In the scenario of changing technology & acceptance criteria of modern industries, it was very difficult to stick up with traditional approach in shop floor. The juniors & middle level workers as well as supervisors were trying to implement their recent knowledge & skills for the fulfillment of huge order to GPI. They were trying to overrule the guidance by the key persons sometimes for the benefit of the industry only. It was a small but genuine cause behind the problem resulting in high % of rejections. Neither the key people nor the staff of GPI were having wasted interest in the case at all. It was quite difficult to held responsible any of them in the matter. As none of the person was likely to be held responsible for crises of high % of rejection, CEO in dilemma became restless & exclaimed, " I am unable to take any action in the matter. What should be the way-out Mr. APM?" Even though being much junior than CEO, APM suggested him a nice solution to be implemented immediately to overcome the problem. "Sir, I think that these three Key persons may be honored by sending them to foreign countries like USA, Japan, South & North Coria etc. for at least a month for business development i.e. for searching new customers in leading Automobile industries globally as our set up is now ready for accepting new challenges with expanded capacity." said the APM at a stretch without a pause. " Leave the remaining part with your team of GPI in respective departments. On behalf of GPI team, we all assure you to bring the % rejection below 10% within a fortnight & almost zero within a month."

CEO implemented the policy within a week after discussion with directors taking them in confidence as a new trial. It became the great step towards success in the history of GPI & still manufacturing brake drums of Maruti cars as well as of few world-famous brands of cars.

Conclusion

- 1) Never directly blame any person/persons or department for failures in quality or quantity of production. It may spoil the healthy & friendly atmosphere at workspace.
- 2) Find the root cause of the problem in the system & treat it properly.
- 3) Take an action such that the person / persons or department will not be de-graced.
- 4) Instead of transfer, memo, suspension or termination, wise way is to divert the person elsewhere for the benefit of the industry.

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ⁱⁱ दुःखेष्वनुद्विग्नमनाः सुखेषु विगतस्पृहः।

वीतरागभयक्रोधः स्थितधीर्मुनिरुच्यते ॥2.56॥

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