

SUCCESS AND HAPPINESS VS. SUCCESS WITH HAPPINESS: AN EXPLORATION ON THE DIFFERENCE BETWEEN THE TWO CONCEPTS

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The logic of propositions

'AND' is a conjunction linking the two terms 'Success' and 'Happiness'. It implies that the two concepts are separate entities. Success and happiness could be independent of each other, though there could be some overlap. The term 'WITH' as the preposition, implies that there exist some relationship between the two terms. To explain it further, let us resort to formal logic/set theory/ Venn diagram as follows:

The proposition, 'All successful people are happy beings' cannot be interpreted as 'all happy beings are successful people'. The logical immediate inference is 'some happy beings are successful people'. The term 'all successful people' is only a subset of a largerset 'happy beings'. There could be many happy beings that are beyond the boundary of 'all successful people'. The same logic applies when the proposition is 'All happy beings are successful people' wherein 'successful people' is only a sub set of a larger set 'happy beings'. This proposition cannot be logically converted into 'all successful people are happy beings. Success' and Happiness are, therefore, two different things, not one and the same. The contrary statement 'No successful people are happy beings' implies that the two concepts are mutually exclusive without any connection. Please note that a contrary statement is not a contradictory one. The contradictory statement to 'all successful people are happy beings' is 'Some successful people are not happy beings' as there could be a logical inconsistency in such a conclusion. There is no such logical problem when we use the prepositional term 'with' for establishing a relationship between 'success' and 'happiness'. There can be success with happiness or without happiness.

Clarifications of the concepts 'Success' and 'Happiness'

The theme of this article is not logic, but an attempt at exploring the possible relationship between success and happiness or rather, success with happiness and success without happiness. The real problem is the concepts of 'success' and 'happiness'. Who is a successful person? To an outsider, the success of Mr/Ms X is in terms of his/her possessions and positions. This extrinsic criterion often results in the observations of

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many successful persons without happiness. If an intrinsic criterion of 'achieving the goal that one sets, whatever be that goal is', and then there could be a condition of success with or without happiness.

What about the concept of happiness? Is there an agreement on the meaning and scope of the concept among those who use the term in context and out of context? Is it pleasure? Joy? satisfaction?;mental peace?;Infinite bliss?. Is it transient or permanent? Some authorities on the subject differentiate between hedonic pleasure and happiness, the latter being not the consequence of satisfying some bodily pleasure such as food, drinks or sex. A condition devoid of stress, anxiety, fear, worries etc. or rather a condition of peace and tranquillity of the mind could be another version of happiness, different from physiological and physical pleasures. Temporary ego satisfaction could also be excluded from the concept of happiness as ego satisfaction is more related to possessions and social positions rather than to mental peace and tranquillity.

'Shreyas'/'Nanma' Vs 'Preyas'/'Menma'

There are two terms in Indian philosophy with respect to personal growth and societal culture—'Shreyas' and 'Preyas'. Shreyas refers to happiness and preyas to success. Spiritual levels of living are more concerned with sreyas and those who are more concerned with material possessions and positions are involved with Preyas. Sreyas is goodness whereas preyas is greatness. In Malayalam language, two equivalent terms are 'Nanma' and 'Menma' for sreyas and preyas respectively. Happiness is associated with sreyas and the intrinsic criterion of success and the extrinsic criterion of success (possessions and positions) is more associated with preyas. But, if we redefine success as achievement of set goals without the extrinsic criterion of possessions and positions, then, success and happiness may go together without any friction between them.

Psychological factors associated with happiness

The 'mantra' of happiness lies in the teaching of 'Bhagavat Gita'. Do your duty without any concern for the fruits of your efforts. Fruits are the natural consequence of the nature of your efforts. In this context, read the dictum of

Peter Drucker, the world management guru: 'Profit is not the objective of any business; it is the natural consequence of any good businesses'. A mental framework devoid of any subjective evaluative judgment on the actions of other people is also associated with happiness. The fear of being evaluated by others is the greatest social fear that destroys mental happiness. Psychological dependence on others for our survival and growth is another stumbling block to happiness. Success is an essential requirement for happiness if the definition of success is achievement of set goals and not the common sense view of possessions and positions. This success means achievement of one's potentials or what Abraham Maslow calls 'Self actualization'.

Positive Psychology

There is an school of thought in the psychology—the latest one—by the term 'Positive Psychology' initiated by Martin Seligman which is more normative than positive in its approach. It is normative in the sense that study of psychology is not for its own sake without any value judgement, but for making human life more meaningful and happy one. There is even an attempt to measure the degree of happiness in different nations, somewhat similar to human development index of nations. In spite of the normative approach, positive psychology is positive in its methodology of research on happiness of people and nations. We may expect more and more empirical oriented research studies on the subject of success with happiness in the days to come to make our human existence more meaningful with positive emotions.



Global Business Summit :

A REPORT ON THE GLOBAL BUSINESS SUMMIT ON NEW ECONOMY NEW RULES

Dr P Sivadasan*

Executive summary

Indian economy is going through structural changes like unified Goods and Service Tax (GST) and gradually accepting the digital transformation of everyday activities of an ordinary Indian. People are aware about the importance of digitalization of the major sectors of our country. India is same, people are the same, bureaucracy is same, but India looks like a changed country. This change in the economic and social content of the country lays the new rules for 'New India, New Economy'. India was referred as fragile five few years ago. Today world refers fragile five to India's goal of five trillion Dollar economy. Now the world wants to walk side by side with India. This global business summit brings out the best business ideas from around the world so that Indian policy makers can take few ideas to implement in India. The summit highlighted the economic performance of India and also laid down the road map for the economy to become \$ 5 Trillion economy within a short period of time.

Introduction

The fourth edition of the Global Business Summit was attended by some of the world's foremost visionaries and policymakers. The theme for this edition was New Economy, New Rules, to signify larger reforms that have transformed the Indian economy to prospective ones that are expected to usher in a new era of growth. The summit's theme was broadly based on the ideas of writer and thinker Kevin Kelly.

According Kevin Kelly, new rules for the new economy is summarized below:

- The Law of Connection: Embrace dumb power, every step we take that banks on cheap, rampant, and universal connection is a step in the right direction.
- The Law of Plentitude: More gives more, the more plentiful things become, the more valuable they become. Value is derived from plentitude. Power comes from abundance. Where the expense of churning out another copy becomes trivial, the value of standards and the network booms.
- The Law of Exponential Value: Success is nonlinear; value explodes exponentially with membership, while this value explosion sucks in yet more members.
- The Law of Tipping Points: Significance precedes momentum or living ahead of the power curve.
- The Low fixed costs, insignificant marginal costs, and rapid distribution depress tipping points below previous levels: technology is more infectious and potent. The threshold of significance is lower, while detecting events while they are beneath this threshold is essential.
- The Law of Increasing Returns: Make virtuous circles, networked increasing returns grow exponentially. The Network Economy rewards schemes that allow decentralized creation and punishes those that don't.
- The Law of Inverse Pricing: Anticipate the cheap, the very best gets cheaper each year. As it does, it opens a space around it for something new that is dear. George Gilder's Law: the total bandwidth of communication systems will triple every 12 months. Assume the function per dollar will drop to become asymptotically free.
- The Law of Generosity: Follow the free, the most valuable things of all should be those that are given away. How do companies survive in a world of generosity?



- Think of free as a design goal for pricing. Even if not reached, it makes the system behave as if it does. A very small flat rate may have the same effects as flat-out free. While one product is free, this usually positions other services to be valuable. The only factor becoming scarce in a world of abundance is human attention. Giving stuff away garners human attention, or mind share, which then leads to market share. The flaw of the Web (according to William Gibson) is its capacity to waste tremendous amounts of time. He also points out it is also its saving grace.
- The Law of Allegiance: Feed the web first unless your web (including your competitors) thrives, you die. The prosperity individuals achieve is more closely related to their nation's (or web's) prosperity than to their own efforts.
- The Law of Devolution: Let go at the top, organisms must devolve to avoid getting stuck. The mountain you are on will crumble; there is a higher mountain elsewhere, but you must go into the valley to reach it.
- The Law of Displacement: The net wins, the displacement of mass with bits will continue. All transactions and objects will tend to obey network logic.
- The Law of Churn: Seek sustainable disequilibrium; only by promoting churn can long-term stability be achieved. If a system settles into harmony and equilibrium it will eventually stagnate and die.
- The Law of Inefficiencies: Don't solve problems; it's not how to do this job right but what is the right job to do. Wasting time and being inefficient are the way to discovery. Don't solve problems, seek opportunities.

In the summit Prime Minister highlighted various reforms that his government had undertaken to fix the structural problems that plague the economy. In reference to the issue of non-performing assets (NPAs), he spoke about the landmark Insolvency and Bankruptcy Code. The

Insolvency and Bankruptcy Code 2016, lays down separate time-bound processes to facilitate insolvency resolution. The benefit of the code can be reflected in the form of credit flows, as money recovered from stressed assets can be invested or given as loans elsewhere.

The Goods and Services Tax (GST) is the biggest tax reform since independence, equipping India with a better tax compliance and revenue system. He also emphasized that the government has its focus on financial inclusion of the poor and that the 2018 budget highlights various measures like those addressing the needs of farmers such as a higher MSP and introducing a new and better healthcare system. The recent Rs 11,300 crore scam involving Punjab National Bank also got a response in his speech, and calling for better ethical practices and vigilance within financial institutions. The system will not accept the theft of public money and that is the key to New Economy, New Rules.

India's aspiration to become a \$10 trillion economy by 2030

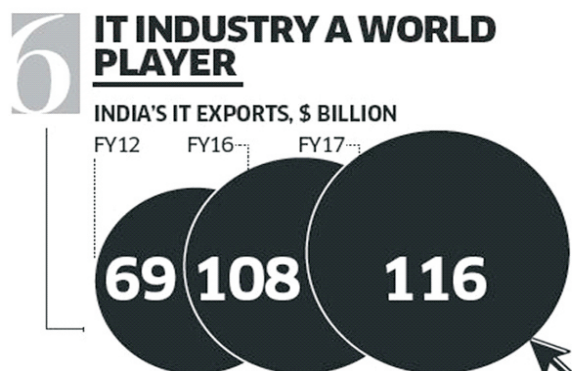
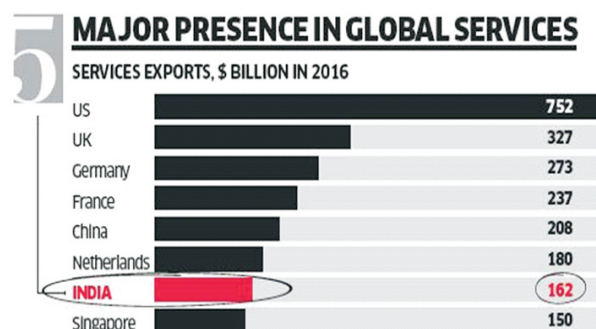
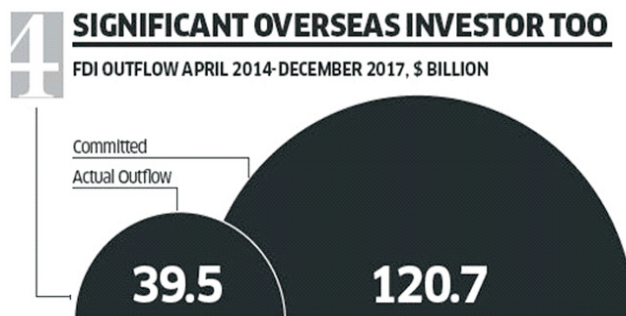
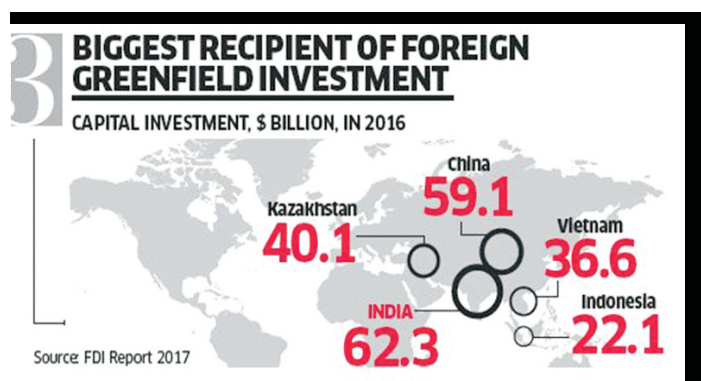
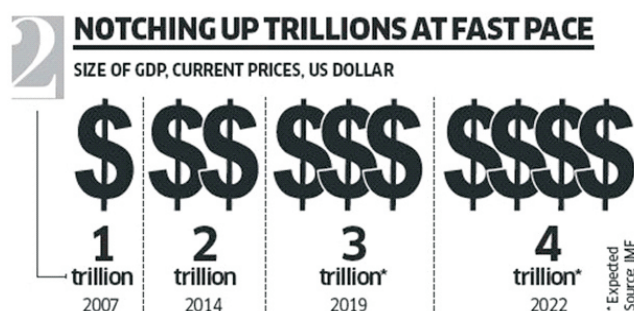
Policy makers believe that India can become a 10 trillion dollar economy by 2030, owing to the gradual rebound of the economy from demonetization and the accrued benefits of the various reforms by the government coming to fruition. Global entrepreneurs at the summit expressed their views on the ability of India's economy to make quantum leaps in its growth. Bob Van Dijk, the CEO of Naspers, spoke about the e-commerce boom and pointed to the growing Internet usage amongst the populace, which demonstrates the capacity of the country in both implementing and adopting latest technologies.

According to him, in 2008, India had about 10 million Internet users, which was the same as in Holland. Then five years ago, India had roughly 30-40 million Internet users. Today, the user base is 300-400 million, and is bigger than the US. Also when very large e-commerce businesses like Flipkart come to scale, they will have a bigger role in the lives of average Indians than they would ever do in Western economies. So it is hard to overstate the size of the opportunity in e-commerce.

According to Dominic Barton, global managing partner at Mckinsey, the need for consistency in policies to allay investor's fears of disruption in case of a government change should be taken care of. This is particularly important in sectors such as infrastructure where investment is highly premised on the investors having faith in the stability of regulatory policies such as that related to price.

These were just some of the discussions that took place at the conference. The two-day summit intended to foster engaging discussions amongst thought leaders on the economic scenario and the potential of the country for global growth.

Set to become the world's fifth biggest economy, India is attracting big-ticket investment in industry even as it extends. Following tables are some of the statistical highlights of Indian economy:



8 ...BUT INDIA HAS LARGE MARKET IN SOME EXPORT

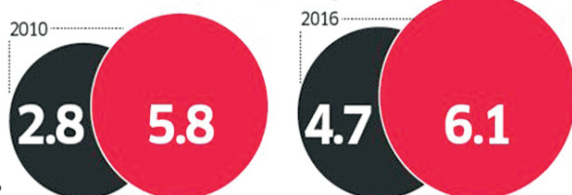
SHARE IN GLOBAL EXPORTS, IN % IN FY17



Source: Economic Survey 2018

9 RISING PIE IN GLOBAL TOURIST INFLOWS AND INCOMES

% SHARE ■ Tourist Arrivals ■ Earnings



Source: UNWTO

10 PEOPLE POWER

MOST NUMBER OF PEOPLE LIVING OUTSIDE THEIR HOME COUNTRY

(In million, 2017)



11 BIGGEST RECIPIENT OF REMITTANCES

REMITTANCES, \$ BILLION, IN 2016



Source: World Bank



Conclusion

In sum, the structural reforms introduced by the government constitute the new generation of reforms since the first generation of reforms initiated in 1991. Unlike the first generation of reforms, this new generation of reforms balances a better life for all Indians with the requirements of an advanced, sophisticated 21st century economy. Virtually every Indian will now have a basic safety net guaranteeing food, electricity, some employment, housing, a bank account, toilets, gas-based cooking, insurance coverage, micro-loans, and an all-weather road. In parallel, small and large enterprises will be able to flourish in a transparent, rule-based environment that provides necessary facilities and financing. We are creating a robust new economy that will power long-term growth and job creation for new India and the Indian economy will march towards the fifth largest economy in the world within a short period of time.

**Experience Sharing :**

A DISCUSSION ON INDIVIDUAL DEVELOPMENT FOR A BETTER CAREER

A.Ramesh*

Executive summary

Through the article, it is intended to convey the broad concepts under which a potential applicant/job seeker can approach the hurdles she/he may have to face in the initial stages of selection successfully. It also highlights the practical approach to address the issues post selection, till mid career and beyond, over the extended timeframe of a typical career spanning 3 decades or beyond. While on this, there are the options for a one company, one career journey or that which takes multiple roles, titles of a career with different employers, if one fancies different roles and organizations along the way for the job and financial aspirations that cannot be met by a single employer, due to various reasons. The Americans, or the West in general, are fancying changes along the way for job satisfaction and monetary rewards, whereas the Japanese typically are one career, one company aspirants. Both have their own merits and demerits. The essay, also tries to capture the various trials and tribulations one may experience till superannuation and beyond, as typically there is no retirement, by way of age or years, for a person who can mentor and guide the new comers, without any financial expectations, over the lifetime.

Introduction

For most graduates, the transition from a freebird absent of any worries still fresh from college, and trying to make a mark on her/his own, may be quite a daunting task. Many are quite sure of their abilities and confident, but the world of paid jobs and a career, can be taxing till one makes a mark in the chosen world. There are career and self development gurus galore, but getting a visionary and proactive mentor, in one's own field or even your former academic circles is crucial for developing the innate talents and become creative.

While on this, recently there was an article in leading English daily that commented on the original creative streak in an Indian student being absent mostly, by the author, as he debated that opinion by an eminent co founder of Apple, due to our own system of education. It may or may not hold well, but they may have a valid point there. Present day graduates are mostly concerned about the social media and the good old art of reading a daily news paper or concentrating on the Leader page (an old adage for today's Editorial) is by and large, a lost art. Today's youngsters are very active

on the media, writing Blogs or voicing their opinions strongly on the web. Sadly, the language and communication abilities of the average degree/diploma holder is below par, as most are without and not conscious of the niceties and structure of the language, be it English or the vernacular language that they try to convey.

What are the essential attributes required by a person, trying to impress first time an interview panel, should possess? The situation is not much different, whatever the job content or post her/him applied for and the organization, large or small, package modest or substantial. First, and foremost, it is your ability to communicate, both verbally and equally or more to master the written word. First, let us see the first hurdle to the coveted job, the resume. I have seen many different styles and contents, variable as per the specific requirements of the organization that one applies for. Many candidates are completely devoid of any doubts or unaware of the small but essential attributes of a bio data, as in their efforts to get the attention of the HR or first evaluator, that often cross the track somewhere. First, the positive traits of an individual candidate often get sidetracked due to the abjectly poor

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presentation, both grammar and the spelling. She/he may be good at their chosen volition, but how does that come across to the reader? The essential and basic rules of written application letters and the cover letter should be written in precise and grammatically flawless language either by the self or ably assisted by your elders or the unofficial mentor of your academic pursuits previously. The cover letter should reflect your innate abilities and grasp of the situation and most importantly the grasp of the organization and the particular post that one is interested and willing to aim for. Once that initial screening is overcome, comes the personal verification of credentials and becoming ready for the now prevalent psychometric test that tests one's aptitudes as well as personality traits. The prospect of entirely depending on the personality tests based on psychology is anybody's guess but nowadays it is extensively used by the HR or the placement agency for the particular organization that one has applied for. The Group Discussion tests a candidate's innate ability and attitude to work as a willing and responsible team player. Beyond that comes your main interview by the prospective employer, in which the test of your knowledge and the ability to put forth your view points and convictions as an individual and skill required of the particular opening in the organization is evaluated. One must be true and be the actual self that will augur and help in the long and arduous grind that follows in a career.

Post that process of qualifying in the selection process, one might be put on a training program, either as a Graduate or Management Trainee, by your organization that may last for 6 months or a year, during which your aptitude and flair to work in the selected domain and proposed role would be tested and evaluated by those around you, often unknown to you personally. The personal integrity and strength of character that you exhibit during the period of training and probation are crucial and essential for the long haul that is the career with the employer. One may or may not opt for the lifetime

career with one's organization, however making the mark in your required role as a responsible and able contributor to the firm's or team's causes is required at the stages of one's tenure regardless of whether it is 3 or 30 years in your opted role and company.

Beyond the daily duties and responsibilities of your chosen role, one is required and often rewarded for developing oneself professionally as well as academically in whichever role you are in, unlike the software and services domain, where it is vital for survival in the job. Short time courses and certificates apart, one should have a solid footing, regardless of whether the employer actively supports you academically or financially for personal development in the route to senior levels. Getting enrolled in the Management development programs, of the distance mode is often a possible and viable option, as I have personally experienced. Many Graduate Schools give option to pursue an MBA through the distance mode or through the net, online. Then there are the options of getting familiarized and proficient with another foreign language that follows an expatriate stint, if one is inclined that way. There are umpteen courses and certifications that come one's way, if you are willing to learn and show that extra willingness to strain beyond the mere requirements of one's role in a particular post.

Trying to and getting active in professional and management organizations in the locality also makes one's all round development as an astute professional and as an individual. That apart, getting help and directions from a professional Mentor is always desirable and fulfilling to fill the gaps in the education and training that one had occasion for previously. She/he can find and fine tune the requirements in our line of duty or academically and professionally at various stages of the career that we have opted for. I feel that personal experience had over the last 3 decades or so, has been quite illuminating, since most of the
(Continued on Page No13)

HEALTH CARE FINANCING AND COMMERCIAL HEALTH INSURANCE IN INDIA - A PUBLIC PRIVATE COMPARISON

*Prof. Dr. B. Vijayachandran Pillai and **Dr. P. Abdul Azees

Executive Summary

Healthcare is one of India's largest sectors in terms of employment generation and revenue. In India problems related to the financing of healthcare continue to be politically insignificant and so the Government allocation still stood at 2.5 percent of the Gross Domestic Product. The Indian health system never reached Universal standards in terms of access and quality. Even the economic reforms of 1990s weakened India's health care system especially in the public sector. Commercial insurance is widely recognised as a model for healthcare financing. This paper explores the existing state of public and private commercial insurance companies in addressing the issues in health care management in India. This research paper attempts to address the role of hospitals in health insurance marketing and the changing dimension of relationship between the insurance companies and hospitals. Significant increase in the hospitalisation, incentivising hospitalisation, moral hazard, information asymmetry, financial literacy etc are seen as concerns which require immediate attention in this regard.

Key words

Health care financing, Health insurance, Hospitals management

Introduction

International experiments in ensuring universal health coverage through taxation and insurance shows mixed response in terms of its success. Developed countries depend on taxpayer's money for meeting the healthcare needs of its population. India is at a stage where it can learn from the mistakes of other global powers in health care reforms. Health as a matter in the concurrent list of Indian constitution the Union and state governments are experimenting exciting ideas in healthcare financing. The National sample survey data shows that Indian households are increasingly depending on their own income to meet their healthcare expenditure. This holds true for both urban and rural households. Out of pocket spending for healthcare has increased significantly since 2004. Kerala as a southern state in India is taken as the sample unit for conducting this study. As a state where the number of clinics and hospitals are much more than the national average and with technological advancement health insurance must have to flourish in all respect. The work explores the key elements related to hospital services in health insurances. In order to fulfil these objectives three dimensions were identified like empathy, tangibility and professionalism in the services of hospitals related to policy holders.

Objectives of the study

The following are the objectives:

1. To identify the existing scenario of health insurance business and their relationship with the hospitals
2. To examine the relevance of good service quality in addressing the issues in health insurance marketing

Methodology and Database

The method of the study is descriptive in nature based on both secondary and primary data. The primary data is collected through pre-tested interview schedule. Personal interviews and discussions were also made with leading public and private sector insurance executives and hospital officials. Data was collected between September 2017 and March 2016 personally by the researcher. Primary data is collected by employing the method of undisguised personal interview. Sector wise and demographic character wise analysis has been done on the selected variables under study. The mathematical and statistical tools like Mann-Whitney U test, Kruskal Wallis H test have been employed for the analysis of the data collected from the total sample size of 390 health insurance policy holders in the state of Kerala.

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Results and Discussion

In order to fulfil the objectives the following variables have been identified and analysed. The dimensions and statements used for the analysis are given below.

Table 1.1

No	Dimensions	Statements
1	Empathy	Accessibility to Hospitals
		Individualized attention
		Friendly behaviour of employees of hospitals
		Hospital's attitude in guiding the claim settlement
		Response of hospitals/ intermediaries regarding queries/doubts
2	Tangibility	Office location of hospitals
		Issue of identity card on time
		Operating hours of the Hospitals
		Medical practitioners of the hospitals.
3	Professionalism	Coverage of cashless facility
		Procedure for cashless facility
		Customer care service(24*7)
		Time bounded settlement of claims
		Provision of updated information about the policy
		Knowledge and skill of the employees
		Adoption of technology

Hypothesis 1: There is no significant difference between the public and private sector companies with regards to empathy dimension of health care providers.

Table 1.2 - The Result of Mann Whitney U Test

Variables	Mann-Whitney U	Wilcoxon W	Z	p Value
Accessibility to Hospitals	17780	36890	-1.147	.237
Individualized attention	16848	35958	-2.015	.038
Friendly behaviour of employees of hospitals	17542	36652	-1.360	.165
Hospital's attitude in guiding the claim settlement	15967	35077	-2.836	.006
Response of hospitals regarding queries/doubts	16648	35758	-2.206	.023

Source: Primary Data

The calculated P value for all the statements in empathy dimension of hospitals like individualised attention, hospital's attitude in guiding claim settlement, response regarding queries are less than the significance value 0.05. Hence the null hypothesis is rejected in these cases. Accessibility to the office and friendly behaviour of employees has shown a value higher than the p value. It is concluded that there is a significant difference between the public and private health insurance companies in these cases.

Hypothesis 2: There is no significant difference between the public and private sector companies with regards to tangibility dimension of healthcare providers.

Table 1.3 - The Result of Mann Whitney U Test

Variables	Mann-Whitney U	Wilcoxon W	Z	p Value
Office location of hospitals	17965	37075	-.971	.313
Issue of identity card on time	18398	37508	-.569	.512
Operating hours of the Hospitals	17223	36333	-1.662	.087
Medical practitioners of the hospitals.	18266	37376	-.691	.418

Source: Primary Data

The calculated P value for all the statements in tangibility dimension like office location, issue of identity card on time, operating hours of the hospital and medical practitioners are more than the significance value 0.05. Hence, the null hypothesis is accepted. It is concluded that there is no significant difference between the public and private health insurance companies in the tangibility dimension.

Hypothesis 3: There is no significant difference between the public and private sector companies with regards to professionalism dimension of health care providers.

Table 1.4 - The Result of Mann Whitney U Test

Variables	Mann-Whitney U	Wilcoxon W	Z	p Value
Coverage of cashless facility	17522	36632	-1.397	.131
Procedure for cashless facility	18372	37482	-.606	.435
Customer care service(24*7)	16725	35835	-2.138	.024
Time bounded settlement of claims	18415	37525	-.559	.467
Provision of updated information about the policy	19002	38112	-.009	.765
Knowledge and skill of the employees	17677	36787	-1.257	.190
Adoption of technology	17212	36322	-1.680	.095

Source: Primary Data

The calculated P value for all the statements in this dimension like the coverage of cashless facility, procedure for cashless facility, time bounded settlement of claims, provision of updated information; knowledge and skill of the employees, adoption of the technology are more than the significance value 0.05. Hence, the null hypothesis is accepted. It is concluded that there is no significant difference between the public and private health insurance companies in the professionalism dimension except in case of Customer care service.

Hypothesis 4: There is no significant difference between the occupations of the respondents with regards to empathy dimension of health care providers.

Table 1.5 - The Result of Kruskal Wallis H Test

Variables	Kruskal Wallis H	Degree of Freedom	p Value.
Accessibility to Hospitals	8.079	5	.147
Individualized attention	4.174	5	.435
Friendly behaviour of employees of hospitals	3.611	5	.768
Hospital's attitude in guiding the claim settlement	6.005	5	.274
Response of hospitals/ intermediaries regarding queries/doubts	12.295	5	.038

Source: Primary Data

The calculated P value for all the statements in empathy dimension of hospitals like accessibility to the office, individualised attention, friendly behaviour of employees, hospital's attitude in guiding claim settlement are more than the significance value 0.05. It is concluded that there is no significant difference between the experiences of the policyholders based on their occupations. Hence, the null hypothesis is accepted except in the statement of response to queries and calls.

Hypothesis 5: There is no significant difference between the occupations of policy holders with regards to tangibility dimension of health care providers.

Table 1.6 -The Result of Kruskal Wallis H Test

Variables	Kruskal Wallis H	Degree of Freedom	p Value.
Office location of hospitals	8.234	5	.133
Issue of identity card on time	5.199	5	.372
Operating hours of the Hospitals	1.652	5	.654
Medical practitioners of the hospitals	7.734	5	.121

Source: Primary Data

The calculated P value for all the statements in tangibility dimension like office location, issue of identity card on time, operating hours of the hospital and medical practitioners are more than the significance value 0.05. Hence, the null hypothesis is accepted. It is concluded that there is no significant difference between the experiences of the policy holders having different occupations in the tangibility dimension.

Hypothesis 6: There is no significant difference between the occupations of the policyholders with regards to professionalism dimension of health care providers.

Table 1.7 -The Result of Kruskal Wallis H Test

Variables	Kruskal Wallis H	Degree of Freedom	p Value.
Coverage of cashless facility	3.057	5	.056
Procedure for cashless facility	3.755	5	.554
Customer care service(24*7)	18.201	5	.004
Time bounded settlement of claims	7.490	5	.012
Provision of updated information about the policy	3.014	5	.062
Knowledge and skill of the employees	.803	5	.091
Adoption of technology	5.594	5	.036

Source: Primary Data

The calculated P value for all the statements in this dimension like the coverage of cashless facility, Customer care service, time bounded settlement of claims, provision of updated information, , adoption of the technology are less than the significance value 0.05. Hence for all these statements null hypotheses are rejected. Procedure for cashless facility and knowledge and skill of the employees has shown a higher value than p value and the null hypothesis is accepted.

Hypothesis 7: There is no significant difference between the types of policies with regards to empathy dimension of health care providers.

Table 1.8 - The Result ofKruskal Wallis H Test

Variables	Kruskal Wallis H	Degree of Freedom	p Value.
Accessibility to Hospitals	5.875	3	.123
Individualized attention	2.749	3	.034
Friendly behaviour of employees of hospitals	.583	3	.037
Hospital's attitude in guiding the claim settlement	6.019	3	.022
Response of hospitals/ intermediaries regarding queries/doubts	3.438	3	.023

Source: Primary Data

The calculated P value fort the statements in empathy dimension of hospitals like individualised attention, friendly behaviour of employees, hospital's attitude in guiding claim settlement are less than the significance value 0.05. Hence the null hypothesis is rejected. It is inferred that there is significant difference between the types of policies and the treatment in the hospitals. The accessibility dimension has a value more than the p value and hence there is no significant difference exists between the types of policies in this statement.

Hypothesis 8: There is no significant difference between the types of policies with regards to tangibility dimension of health care providers.

Table 1.9 -The Result of Kruskal Wallis H Test

Variables	Kruskal Wallis H	Degree of Freedom	p Value.
Office location of hospitals	2.300	3	.513
Issue of identity card on time	4.686	3	.196
Operating hours of the Hospitals	2.861	3	.413
Medical practitioners of the hospitals	.655	3	.884

Source: Primary Data

The calculated P value for all the statements in tangibility dimension like office location, issue of identity card on time, operating hours of the hospital and medical practitioners are more than the significance value 0.05. Hence, the null hypothesis is accepted. It is concluded that there is no significant difference between the types of policies in the tangibility dimension.

Hypothesis 9: There is no significant difference between the types of policies with regards to professionalism dimension of health care providers.

Table 1.10- The Result of Kruskal Wallis H Test

Variables	Kruskal Wallis H	Degree of Freedom	p Value.
Coverage of cashless facility	5.554	3	.018
Procedure for cashless facility	4.134	3	.022
Customer care service(24*7)	3.784	3	.097
Time bounded settlement of claims	4.269	3	.048
Provision of updated information about the policy	3.500	3	.036
Knowledge and skill of the employees	.619	3	.825
Adoption of technology	1.972	3	.587

Source: Primary Data

The calculated P value for the statements in this dimension like the coverage of cashless facility, procedure for cashless facility, time bounded settlement of claims and provision of updated information are less than the significance value 0.05. Hence for all these statements null hypothesis is rejected. Knowledge and skill of the employees and adoption of technology has shown a higher value than p value and the null hypothesis is accepted for these statements.

Major findings

In case of impatient or outpatient treatments patients expected empathy from the part of the hospitals. It is found that empathy is missing in the present study of health insurance. Hospitals are focussing only on increasing their profit rather than thinking through the perspective of policyholders. The majority of the policyholders were not sure about the modus operandi of the existing system and had doubts of getting benefits, even after explaining the rules. Many of the policyholders pointed the missing focus on transparency in this dimension.

It is inferred that the hospitals have a comparable degree of tangibles to meet the requirements of policy holders. But the total mean score shows the scope for improvement in this field. In a growing sector like health insurance it is essential to ensure the tangibility dimension so that high net worth individuals can be attracted towards health insurance. It is found from the work that adoption of professional system of management is missing in many instances. Only 'adoption of technology' is satisfactorily answered by the respondents, but the benefit of technological advancement by the hospitals are not passed to the end Customer. Objective kind of business is necessary in an age of media proliferation rather than dealing customers based on the staffs subjective preferences.

Conclusion

Health insurance product development has traditionally focussed on covering inpatient events and even today a significant portion of the market comprises such products. Hence efforts required to cover outpatient consultancy. Self regulation is required to build credibility on the functions of hospitals and insurance intermediaries to avoid the concerns in the mindset of the households regarding the undue nexus between the various intermediaries. The employment of more qualified and specialised workforce is essential in increasing the awareness of health insurance and to differentiate the different kinds of products. Health insurance companies must revisit their exclusions

and hidden charges they have been charging with the insurance policies. As health care provider is the key component in health insurance, a few dynamics related to their role in the future is required. It includes seamless data base and transactional environment including standardisation, accessibility, standardised billing and claim forms, formulation and adoption of standard treatment guidelines

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(Continued from Page No 8) experiences put forth in above paragraphs, have had a personal and quite satisfying experience over the years and occasions. I have avoided live situations and people in the above narration, for obvious reasons and through respect for the individuals and organizations involved, as well.

Conclusion

In conclusion, what one has endured and at times survived successfully, in the myriad stage of corporate life, can only be described rather in a checkered manner, since events and people change, as in a kaleidoscope that is the sum total of life in the corporate environs. Many vagaries and eccentricities of that life and the people involved is what makes these experiences sweet and sour, but the overall outcome is, to say the least one has savored well.

Finally, it is what one is inclined or prepared for, in the long route of self and professional development, during and beyond the period of employment that there is practically no retirement in your life, even if the employer's mandate for you at a particular age or stage need not deter you in pursuing your volition, either financially or enriching yourself by becoming a willing guide and mentor for countless youngsters, who are eager but having inability to pursue costly and exclusive training and out of their immediate vicinity due to financial or familial commitments. That is one sure way to give back to others, what one has been fortunate to gain over those long and fruitful years.



AN ANALYSIS OF ORGANIZATIONAL GROWTH THROUGH SPIRITUAL QUOTIENT (SQ)

Balan Varier*

Executive summary

Human beings hold unlimited potential for creativity, performance and contribution. Many are not conscious of these endowments with the result they live in an unfocussed, unorganised and unenthusiastic way. At the end of the day, their potential is untapped and goes waste. People should not be blamed for this. Like many, they too wait for some 'external' influence to initiate personal change. For a business organisation, which is contributing to the economy and to the overall welfare of the society through the efforts of the 'people force' in combination with capital and technology, it is imperative that not only production/output is given importance but also 'producing capacity' of human resource is developed and sustained at an optimum level. This is critical due to the highly complex nature of the business environment, the need for survival in a competitive market and the need for promoting a sustainable society by protecting the ecology and the planet. No doubt, ensuring the desired employee performance is a challenge for all corporate. When external measures and other motivational tools fail to deliver the desired results, it is prudent that the business organisations resort to the time-tested ancient method of integrating a person's body-mind-intellect, in a scientific way suiting to the current time. Any action is a combined output of the working of an integrated body-mind-intellect confluence. Though body can be positively energised for peak performance through physical work-outs, influencing mind and intellect can only be done through a 'inner approach'. A progressive society should not relegate the time-tested 'Meditation or Mindfulness' practice to truth seekers alone, but should have the courage to take it to corporate corridors too to equip employees to face in a nonchalant manner the external chaos. No doubt that meditation, done in proper way, enhances the functional capability of mind and intellect- the two critical components for human creativity and innovation. Apart from this, it augments a healthy environment in business organisation as well. Such a salubrious environment helps in generating and nurturing leadership skills through collaborative approach for wellbeing of all stakeholders – the organisation its people its customers, the planet and the society at large -in a sustainable way.

Introduction

Since the industrial revolution, industries have been labouring to churn out quality goods and services using money, material, machine and man to feed the gluttonous market. Major chunk of the money and time are being spent on research to produce more and consequently making consumers devour more. For this, cutting-edge technologies are deployed both at manufacturing and service sectors.

Worn-out system

But when these revolutionary changes were taking place on product and market front, one crucial area left out from attention was the main resource – people. One of the reasons for this could be due to the wrong notion that human resource is a

controllable commodity'; hence, he can be 'controlled' the way money, material and machine are controlled. Further, there is a distorted assumption that employees can be motivated to perform or excel always through money, ambition, fear and competition. Perhaps, in line with this thinking only, organisational policies and procedures were made out to 'manage' people. This could be the main reason why many HR initiatives are not producing the desired results. People performance is a far cry from the desired levels for many organisations.

Paradigm shift

It is time that a paradigm shift is brought about in our approach to create and sustain a work force who, besides holding professional knowledge, knows

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their inner infinite worth. They, while engaging in day to day organisational activities, are fit enough to meet any external chaotic changes, due to their resilient attitude. Here, the time tested role of compensation and growth opportunities, are not disregarded. They are there, but they are poor performance excellence enablers.

To meet the current chaotic external market challenges, baby steps are being taken by many business organisations. To develop and sustain a motivated workforce capable of leveraging performance excellence, organisations have started turning their attention to the studies done on human brain and its functioning. They keenly desire that employees exhibit Spiritual Intelligence (SQ), besides IQ (Intelligent Quotient) and EQ (Emotional Quotient).

People are sentient, intelligent and multi-dimensional. If that multi-dimensional intelligent resource is deployed in pursuit of organisational objectives of production and profit for a welfare society, then an appropriate place needs to be given to human resource. Each employee is a confluence of a gross body (pure matter enlivened with the support of a higher intelligence), an unimaginable complex sentient mind and a discriminative intellect both mind and intellect are invisible non-substance unlike the gross body). Equating such a 'magnificent resource' on par with material substances like money and machine, is misplaced. Man's place is much higher than material and energy.

Spiritual intelligence (SQ)

Our ancient wisdom declares that man is first and foremost spiritual. This 'Invisible Absolute Entity (Spirit)' alone supports and enlives his material body supplying it with necessary intelligence and energy. The cause behind for the wonderful and immaculate working of mind and intellect is also Spirit. This being so, an appropriate status to the people – a sensing, feeling and thinking entity, borne out of Infinite Intelligence and holding unimaginable creativity - needs to be assigned.

How much of the fact those employees (humans) are first and foremost spiritual being, reflection organisational HR manuals? The reason for not considering employees as a 'spiritual being' may be due to the wrong connotation assigned to the term 'Spirit or Spirituality' by business organisations.

Spirituality is a broad concept with room for many perspectives. But the one that is taken here has the universal acceptability. Spirituality is the sense of connection to a Higher Source, which is the primordial cause for everything that is present in this universe. Awareness of this connection gives the right perspective, value and purpose for an energetic and fulfilling life.

It is obvious that humans are more than their serial processing or rational thinking capability (IQ). They are also beyond the associative intelligence learned through experiences by 'neural network group' (EQ) formations. In reality, humans are spiritual being living on the border line of 'finite capabilities' and 'Infinite Potential'. Spiritual Intelligence (SQ) alone can plan, make sense of emotions, control the impulses, make choices and give meaning to the life and its purpose. Further, Spiritual Intelligence is endowed with creating order out of chaos – a unique capability available to humans. It is obvious that business organisations are struggling hard to create order out of chaos?

Performance excellence

In business organisations, a professional holds domain knowledge, which is known as 'object knowledge' namely, engineering, finance, HR, Information technology, etc. Before the professional obtained the 'object knowledge' making him qualify to be called a 'professional', has he gained knowledge about himself? To excel in a job, professional knowledge (object knowledge) alone will not suffice; one needs to have the knowledge of the self (knowledge of the 'doer') as well. In reality subjective knowledge (knowledge about self) supplements the objective knowledge (professional knowledge) and both are required for performance excellence.

For practical application in business context, Spirituality denotes the 'self-knowledge' by the 'doer' as to who 'is he' in essence. This awareness is not the commonly held 'limited personality knowledge'. 'Self-knowledge complements the efforts towards 'performance excellence'. Performance excellence proceeds from an inner process culminating into a quality product or service. It is obvious that people enjoy and derive immense satisfaction while engaging in performance excellence. Here comes the role of contemporary HR to show to each and every



employee his own inner wealth – the spiritual treasure, capable of bringing out creativity and excellence in his area of operation.

SQ in action

To generate and enhance overall performance excellence, many modern business organisations are into varied HR initiatives. When all external interventions fail to meet the need for sustained people performance, progressive business organisations turn to the pages of ancient wisdom for succour.

Google does it through their 'Search inside You' programme. It is a programme to practice 'mindfulness', which brings out the best in each person. SIY concept and programme was developed by Google's veteran engineer Chad Meng Tan to enhance people creativity, wellbeing and overall happiness. It is indicated that the key benefits derived are enhanced sense of well-being, reduction in physical and psychological stress and performance excellence through creative innovation.

Similarly, Apple has a 30-minute daily meditation session for their executives. The cause for this corporate initiative is Steve Job's own experience when he himself underwent 'mindfulness' sessions and derived its benefits.

There are many such business organisations who help their employees experience 'the inner stillness and silence' through daily meditation practice; such practices harness the 'inner-strength' both for performance excellence and for individual well-being, the way it has supported the seers and the sages in their areas of action.

The writer, a regular meditation practitioner, in his corporate life, has experienced the astonishing benefits of regular meditation, both at job and at personal fronts. By holding a general management responsibility at the job, he had to face many challenging business situations both inside the organisation and at customer place. Many a time, crucial managerial decisions impacting either the business, or the employee performance or the customer - retention, were all in chaotic environment. During all these times, being on the action front, the self-anchoring was on the 'still mind', which brings forth the required focus and attention to the issue in hand till its intuitive resolution; such a mind is a by-

product of his daily meditation practice. Meditative mind prefers 'responding' than 'reacting'; it operates from the 'inner strength' rather than depending on supports like position, authority, power and so on.

Further, the writer was a direct witness when his then Managing Director and the present Chairman Emeritus of Flyjac Logistics Pvt Ltd (A subsidiary of Hitachi Transport System) where he had worked, used to make the team meditate for half-an-hour before going for any crucial business meet with customers. Almost all such meetings used to end up in win-win situations. Similarly, critical organisational decisions were taken only after making all the participants meditate for some time.

In this Organisation, the writer with the support of the top management, had initiated and commenced a programme known as 'Rediscover Your Self'. During such regular sessions, the participants meditate 'on breath' for 30 minutes followed by sharing on wisdoms of the wise to support a harmonious life. The idea was to bring in 'self-awareness' in people, which enables them to perform independently with little or no supervisory intervention. Moreover, this 'self-awareness' did support in leading a harmonious life through integrating 'work and life', instead of balancing 'work and life'.

Conclusion

It is common that most of us go through life a little afraid, a little nervous, and a little excited. People who know the reality behind the body, mind, and intellect confluence go through life spontaneously with the awareness of 'fullness' losing all sense of deficiency, fear and concern. They are able to see the amazing patterns taking shape from the Infinite Potential. Performance Excellence is also a similar magnificent manifestation from the 'Inner Infinite Potential' of people on the job; the process bestows people the marvellous experience of creativity, which money and position are incapable of providing.

Business organisations, to sustain and grow, should endeavour to instil this knowledge and awareness into each and every employee. In this process, employees gain insights into their own inner worth thereby creating more 'self-starters' with heightened motivational energy. It is apt to call this intervention 'path-breaking' for it creates value for the workforce besides ensuring 'performance excellence' on the job. It may be seriously considered that 'Human Resource' can be rechristened as 'Human Treasure' by business organisations.



EFFECTIVENESS OF TRAINING PROGRAMS IN PUBLIC SECTOR ORGANIZATIONS - AN EVALUATION

Dr. B.VijayachandraPillai* and Sreeja.P**

Executive Summary

The world is fast changing. There is cut throat competition everywhere. There exists tough competition among organizations. They are trying to get more return for their investment. Human capital has now become the precious and effective tool for development. Therefore, it is imperative to make the human capital more capable and efficient in earning profits. Capability of a Person depends on his ability to work and type of training he receives. Hence, now the organizations chalk out training programs to impart systematic training to its employees so that the output of the individual increases and thereby more profit to the organization, which will lead to its growth and sustainability. In view of the growing importance to industrial sector, it is time to make an analytical study on the effectiveness of training program on the development so that the problem can be identified. The present paper an attempt in this direction. Both primary data and secondary data were used for the preparation of this paper. It is expected that the outcome of the study will be useful the organizations to improve the quality of training and will lead to efficient and effective performance.

Keywords: Training Program, Organizational Training, Employee Performance, Employee satisfaction

Introduction

All the organizations experience intense pressure due to competition and as a result, they adopt different approaches to survive and excel. Human Capital is considered as a precious tool by organizations as it is a source of competitive advantage. In order to impart required knowledge and abilities to the human capital, organizations chalk out various Training and Development programs. There is no doubt that effective training is an investment in the human resources of an organization, which may yield return immediately and in long term. However, there is a need to manage the training programs more effectively so as to reap good returns.

Training is the act of increasing the knowledge and skills of employees for doing a particular job. The importance of giving training to employees has increased as jobs have become more complex. It is now difficult to learn easily as the jobs are complex and when jobs were simple, it was easy to learn. Learning is the major outcome of training.

Human Resource is one of the important assets of an organization. As all the activities are done by human beings, the prosperity of the industry

depends upon increasing their aptitude, skills and abilities, Hence training is an essential imperative to increase the efficiency of employees in an organization and thereby the growth of the organization.

Significance of the Study

It is a proven fact that training strongly influences the productivity, efficiency, innovative ideas and complete knowledge about the job. However, various studies conducted earlier revealed that employees are not capable enough to do their tasks efficiently and effectively. While some employees realize the impact of training on their performance, many could not relate the effect of training on the performance. Therefore, the researchers want to evaluate the effectiveness of training programs on the employees performance in order to assess whether the training programs being given are sufficient enough or not and to suggest ways and means to improve the quality of training in the selected organizations.

Objectives of the study

- To examine the present training programs for the benefit of employees and

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- To analyze and examine whether training provided by the organization is adequate in developing skills and motivating the employees.

Hypotheses tested

1. There exists a significant relationship between initial training and experience of employees.
2. There exists a significant relationship between experience and satisfaction level of employees on training programs.

Methodology

This is a descriptive research undertaken with the help of both primary and secondary data. Primary data were collected through a specially designed interview schedule. A pilot study was conducted among 25 sample employees and suitable modifications were incorporated and thus finalized. Secondary data was collected from the publications, journals, books and company records. The universe of the current study consists of 283 employees. The sample size taken for the present study is 110. The simple random sampling was employed for the selection of sample employees. The mathematical and Statistical tools used include simple percentage and Chi-square test.

The researcher has used the questionnaire with more than 23 questions and derived many findings to understand the needs and benefits of training program in public sector undertakings. On the basis of the primary data, the study has tested some hypotheses.

Testing of Hypotheses

To analyze the relationship between experience and initial training, the following hypothesis were framed:

1. Ho: There is no significant relationship between experience of employees and initial training.

H1: There is significant relationship between experience of employees and initial training.

2. Ho: There is no significant relationship between experience of employees and satisfaction level of employees on training programs.

H1: There is significant relationship between experience of employees and satisfaction level of employees on training programs.

The results of Hypotheses Testing are shown below:

Attributes	Calculated Value – chi square	Critical Chi-square	Degree of Freedom	Result
Experience and initial training	1.723	7.815	3	Not significant
Experience and Satisfactory level of training programs	10.33	12.592	9	Not significant

From the above, it can be seen that there is no significant relationship between experience and initial training because the calculated value of chi-square is less than the table value. So the null hypothesis is accepted. Since the calculated value of chi-square is less than table value, the null hypothesis is accepted that there is no significant relationship between experience and satisfactory level of training program.

Suggestions

On the basis of above findings, the following suggestions are made.

- The training programs should be made compulsory for all employees.
- The Human Resource department should take an initiative to educate the employees about the advantages of training. Human Resource department can take initiative to formulate training policy in co-ordination with top management.
- Majority of the respondent agreed that in-house training is essential in an organization. The firm should follow “On the job training method” and should provide “Off the job training method” as and when required.
- It is necessary that the training should be relevant to employee's job. It may also be ensured that proper skill improvement training is given so that the performance of the employee can increase.

- The employees may be given opportunity to open up and discuss about training program and in which area they require training. Hence employees' opinion also to be considered while setting up training program.
- Individual attention may be provided to trainees in order to encourage their participation and make them perform better at their job.

Conclusion

Training is essential for any organization to develop. There is no doubt that organizational training has great impact on employees. If the organizational training is not effective, it will adversely affect the performance of employees. Training and Development program help the employees to enhance their performance. There is a close relation between training and employee's performance. Training helps organizations in achieving their strategic objectives and gives organizations a competitive edge. Organizations train and develop their employees to enhance their effectiveness. The aim of any organization is to earn more profit. By imparting training, the employees can increase their productivity and thereby more profit and more development of the organization. However, it is not only essential to conduct training program, but it is equally important to evaluate the program to see that they are useful to the employees for better performance and are producing desired results. Proper evaluation is the base for effective training. Hence, it can be concluded that effectiveness of training & development depends on training needs, determination, training design, trainer performance and trainee performance. Therefore, necessary care has to be given to all the influencing factors to make the training and development effective and thereby produce desired results for the organization.

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BHATNAGAR MODEL OF SCIENTIFIC ORGANIZATIONAL MANAGEMENT

SanjithNambiar* and Jayaraman A.P**

Executive Summary

Dr Shanti SwarupBhatnagar was the Founder Director (and later first Director General) of Council of Scientific & Industrial Research (CSIR) who is credited with establishing twelve national laboratories in as many years. DrBhatnagar played a significant role in building of post independent S & T infrastructure and in the formulation of India's S & T policies. DrBhatnagar concurrently held number of important position in the Government. He was the first Chairman of the University Grants Commission (UGC). He was Secretary, Ministry of Education and Educational Adviser of Government. He was the first Secretary to Ministry of Natural Resource & Scientific Research and also Secretary of Atomic Energy Commission. He played an instrument role in the establishment of the National Research Development Corporation (NRDC) of India. His research contribution in the areas of magneto chemistry and physical chemistry of emulsion were widely recognized. In 1936, DrBhatnagar was conferred with Order of British Empire (OBE). He was Knighted in 1941and elected Fellow of Royal Society, London in 1943. He was awarded the Padma Vibhushan in 1954 by the President of India.

Introduction

Management is the art of getting things done through and with people in formally organized groups(1). Management of Scientific organizations is largely carried out by professional scientists and has created different styles of leadership tailored to the needs of their projects based on the coordination of organized teams. The Development of vertical like Bhabha Model for Atomic Energy, Space Sciences Model of Sarabhai gives insights into their leadership behavior. Bhatnagar Model(BnM) is distinct because of its multilocal, multidisciplinary and infrastructural aspects with a chain of national research laboratories central to India's knowledge economy.

Shanti Swarup Bhatnagar occupies a unique position in the development of the infrastructure scientific institutions in post independent India. He underpinned science as the sole change agent for society and built network of institutions. His leadership style is noted for skillful planning and strategic execution and proximity to political power. He was an eclectic scientist with strong disciplinary depth matched by trans disciplinary competence with high profile charisma as a science leader driven by a passion to create sustainable and appropriate institutions dedicated to problem

solving mode. He entered into the domain of science management at the age of forty five in 1940 by assuming the office of Director of Board of Scientific and Industrial Research which later became the Council of Scientific and Industrial Research (CSIR) and passed away after a distinguished and historic service career spanning fifteen years(2).

Academic Excellence

Bhatnagar, created a chain of twelve discipline based laboratories ranging from physics and chemistry to leather and electro chemicals. He recognized the potential of science and technology to create wealth through industry and business and established the National Research and Development Corporation of India. The primary aim of this dedicated organization is to translate science from idea to proof of concept to pilot plant and finally as technology offering to Industry. He persuaded the Government to set up an Industrial Research Utilization Committee for translating Research into development, into demonstration to deliverables.

His penchant for industrial research is evident from his first publication at the age of 17. He developed a novel method of making substitute carbon electrodes for batteries by heating molasses

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and carbonaceous matter under pressure. He took his BSc in physics and MSc in chemistry. He wrote a research paper 'effect of adsorbed gases on the surface tension of water'. He joined the University College, London. He was awarded a DSc degree in 1921 for his thesis 'solubility of bland trivalent salt of higher fatty acids in oils and their effects on the surface tension of oils'.

In the 1930s there were no appropriate or relevant research organizations for the development of natural resources and new industries. Sir Richard Gregory, then editor of Nature, who after visiting scientific departments and universities in India in 1933 drew the attention of Sir Samuel Hoare, Secretary of State for India, to the lack of an appropriate research organization equivalent to those of in Department of Scientific and Industrial Research in Britain for the development of natural resource and new industries. He observed: "I knew that work of the Geological Survey of India, Botanical Survey of India, Meteorological Department, and Forestry and so on; but I think something should be done to form an Indian Research Council to make use of the undoubted capacity of Indians for scientific investigations and its applications. Scientific activities, many of them having a direct bearing upon the development of resources of the country, are scarcely given the attention they deserve."

Reluctant British

Gregory was not alone in realizing the need for appropriate research organization. C.V. Raman, Lt. Col. Seymour Sewell and Dr. J.C. Ghosh had earlier proposed the creation of an Advisory Board of Scientific Research for India. Indian scientists at Calcutta and Bangalore initiated schemes to launch a National Institute of Sciences and an India Academy Science respectively. At the Fifth Industries Conference in 1933 the Provincial Governments of Bombay, Madras, Bihar and Orissa unanimously reiterated their demand to set up a coordinating forum for industrial research, Sir Hoare advised the Viceroy, Lord Willington to support the idea of an Indian version of Department of Scientific and Industrial Research (DSIR). However, in May 1934 Willington informed Hoare in London that 'the creation of a DSIR in India to promote

the application of research to natural resources does not appear to be necessary." Having rejected an Indian version of the DSIR the colonial Government decided in 1934 to make a small concession. The Govt. agreed to create an Industrial Intelligence and Research Bureau and which came into operation in April 1935 under the Indian Stores Department. The Bureau had very limited resources (with a budget of Rs. 1.0 lakh per annum) and thus it was not possible for it to undertake any industrial activity. It was mainly concerned with testing and quality control(3).

Although Britain had established itself in the cutting edge of scientific and industrial research, the British Government did not feel the need for the creation of a Department of Industrial Research in India to promote the application of research to natural resources. Instead they created an Industrial Intelligence and Research Bureau in 1935 under the Indian Stores department. Testing and quality control were its main functions and had a limited budget of Rs one lakh per annum. During World War 2 the proposal was mooted to wind up the Bureau but the then Commerce Member Sir Ramaswamy Mudaliar seized the opportunity to establish the Board of Scientific and Industrial Research in 1940. With him as the Chairman and Bhatnagar as the Director and with an annual budget of Rs. 5 lakhs, the Board started functioning under the Department of Commerce.

Impactful Initiatives

With a team of 20 full time employee scientists and with the services of 60 consultant scientists, numerous processes technically viable for commercial exploitation were developed in a short span of 2 years. Notable among them were techniques for the purification of Baluchistan sulphur, anti-gas cloth manufacture, development of vegetable oil blends as fuel and lubricants, discovery of a pyrethrum emulsifier and cream, development of plastic packing cases for army boots and ammunition, dyes for uniforms and the preparation of vitamins.

Bhatnagar persuaded the Government to set up an Industrial Research Utilization Committee (IRUC) in early 1941 for translating results into application. Following the recommendation of IURC the Government agreed to make a separate fund out of the royalties received from industry

for further investment into industrial research. A resolution moved by Mudaliar, recommending that an Industrial Research Fund be constituted for the purpose of fostering industrial development in the country, and that provision be made for an annual grant of rupees one million for a period of five years was accepted by the Central Assembly in Delhi at its session on 14 November 1941.

Lobbying

Bhatnagar- Mudaliar leadership led to the constitution of the Council of Scientific and Industrial Research (CSIR) as an autonomous body, to administer the Research Fund created by the government. The CSIR came into operation on 28th September 1942. The BSIR and IRUC were designated as advisory bodies to the Governing body of the CSIR. Bhatnagar proposed the establishment of national laboratories to the Governing Body of the CSIR in 1943 and steered the proposal into fruition.

The National Chemical Laboratory, the National Physical Laboratory, the Fuel Research Station, and the Glass and Ceramics Research Institute were established. In 1944 in addition to its annual budget of Rs. 10 lakhs, the CSIR received a grant of Rs. 1 crore for the establishment of these laboratories. A donation of Rs 20 lakhs was provided by the Tata Industrial House for chemical, metallurgical and fuel research laboratories. By the end of 1954 twelve national laboratories were established and a dozen more were at the planning stage. Prime Minister Nehru was in charge and a strong framework of national laboratories was planned, organized and executed under the leadership of Bhatnagar.

Assessing and acknowledging the foresight of Bhatnagar in placing India in the world scientific map, Prof. T.R. Seshadri recorded that he was man of extraordinary parts. He was not only an eminent scientist but also a fine administrator and an able organizer. The testimony of one of his teachers that he was good in all subjects of study and did well in anything that he undertook as a student, is applicable fully to his life's work in its various aspects. He lived in a period of active change in the life of the Indian people and played a remarkable part in the development and organization of scientific research in the country. By birth and upbringing he seems to have been the right person for the task (4).

Scientist-Leader

Leadership qualities congenial to institution building may not be conducive to the growth and sustainability of the organization. Long tenures of institution builders are often counterproductive as mission and vision initially set become obsolescent with leadership style is inflexible. In scientific organizations this has critical relevance as charismatic leaders do not change their leadership styles. 'Once a leader always a leader' is a destructive paradigm in scientific organizations.

Fossilization of organization sets in when unbroken continuity of leadership remains. There are organizations with leaders at the helm for two decades setting blockage of entry of new talents. Success of leadership is claimed as the same leader continued unchallenged and unable to vacate. This is a major organizational problem in Non Governmental Organizations where the power, influence and the very designation title are tenaciously held by incumbents who refuse to recognize that there are others better suited and better qualified. At a fundamental level he managed the Scientific Manpower Committee of 1948 which conducted a systematic assessment of the manpower requirements of the country which was the basis of governmental policy for S&T infrastructure development.

Bhatnagar Model (BnM)

BnM displays a full blown sequentially evolved model of organizational management of scientific infrastructure and establishment. In the development of national laboratories we find the pioneer developing into driver which evolves into Integrator plateauing as the Guardian against a constant charismatic background enriched with proximity to political power(5).

BnM implies a knowledge economy where applied and industrial research can translate knowledge to money. Underpinning innovation which is the metamorphosis of knowledge to money, the element of sheer newness is rejected when commercial utility and acceptability are the overarching criterion. Discovery of a novel method

per se does not become an innovation. Newness is a necessary condition but not a sufficient condition for innovation. The zeitgeist of CSIR is innovation and market place and not publication in peer reviewed reference journals. In research organizations, there are two pathways to success: a technical path and a managerial path. At some early point in professional career, after perfecting a technical innovation, the scientist has to get into managerial mode to bring in revenue and return on assets(6).

Bhatnagar, who had a professorial tenure of nearly two decades was aware of the need for academia-industry interface for innovation and played an instrumental role in the establishment of the National Research Development Corporation of India, which bridges the gap between research, development demonstration and deployment.

Expanding this he initiated the Industrial Research Association movement in the country. He constituted the one-man Commission in 1951 to negotiate with oil companies for starting refineries and this ultimately led to the establishment of many oil refineries in different parts of the country. Getting governmental commitment to national scientific and technological objectives was a difficult challenge but Bhatnagar-Nehru bond facilitated this mission.

Today CSIR has a network of about 40 national laboratories with over 4600 scientists supported by 8000 technical staff engaged in a diversity of disciplines of science and technology – from radio and space physics, oceanography, geophysics, chemicals, drugs, genomics, biotechnology and nano technology to mining, aeronautics, instrumentation, environmental engineering and information technology. It provides technological intervention in many areas including environment, health, drinking water, food, housing, energy, farm and non-farm sectors.

CSIR is ranked at 84th among 4851 institutions worldwide and is the only Indian organization among the top 100 global institutions. It holds the 17th rank in Asia and leads the country at the first position.

Charismatic Leader

Bhatnagar enjoyed a unique position in the politico-scientific space of Independent India. He had to rely on his intuitive wisdom as there was no textbook on development of science and technology and there was no formula for managing relationship with political power. He had more experience and influence in the Delhi corridors of power than any other science manager. He had greater insight into Science and Technology policy than any career administrator of the Indian Civil Service. He himself had secured an equivalent rank in the hierarchy and coupled with his education at Cambridge, Oxford and Edinburgh, he wielded enormous strategic and tactical power. He believed scientists on top not just on tap. He was a skilled, suave and diplomatic lobbyist as narrated by Anderson who considers that until his death there was none with his knowledge and daily influence in the power domain. He had worked with Bhabha in getting materials for the Atomic energy program. He was central to the energy and nuclear policy of the government. When NPL was inaugurated in 1950 Nehru and Bhatnagar choreographed the theatrical show and said Industrial Physics was born(7).

Presently Scientific leadership in India is distributed with Secretaries to the scientific Departments, Principal Scientific Adviser and Scientific Advisory Committee. In contrast BnM represents a model of singularity where Science infrastructural projects were conceptualized and executed with direct access to highest political power.

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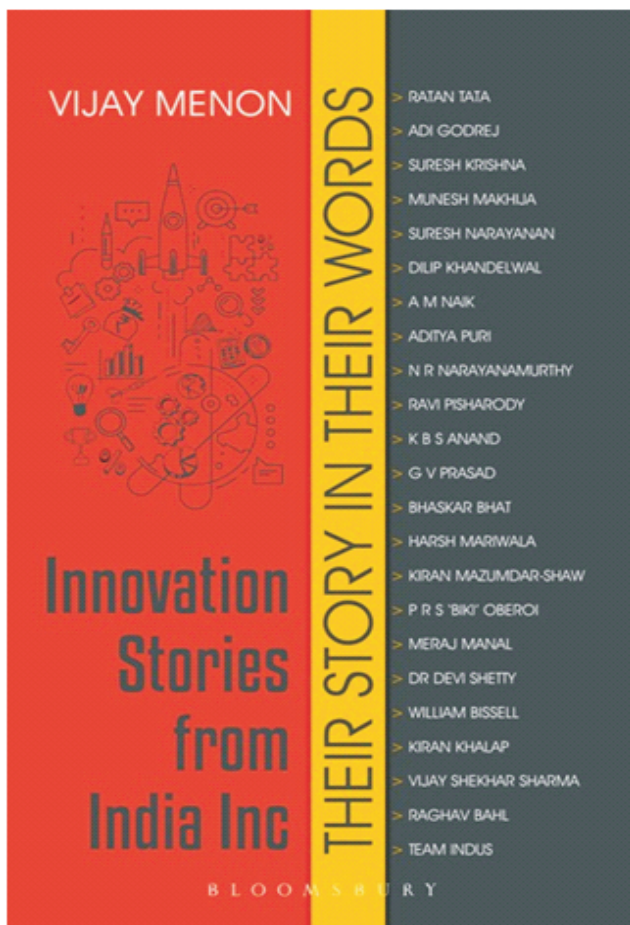
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Book Review

INNOVATION STORIES FROM INDIA INC: THEIR STORY IN THEIR WORDS - Vijay Menon

Reviewed by Mr J G Menon*

Calicut-born Vijay Menon is a Bangalore based marketing and communication with over 30 years' experience across technology, media, and marketing. He has previously worked as a vice president of marketing at QuEST and Infosys BPO, as a journalist with India Today, and as a nuclear engineer. Vijay holds an M.Tech. from IIT Kanpur and has attended the Duke-Infosys management program.



Beyond *jugaad*, that great Indian tradition of short-term fixes, what does innovation mean in Indian companies? The book is a collection of 23 stories covering a range of companies from start-ups to mid-sized and large companies to the Indian arm of MNCs to conglomerates.

In each case, the innovation story is told as a first person account in the words of the company's leader. These first person accounts have been crafted from one-to-one meetings with some of India's best known industrialists and include:

Conglomerates: Ratan Tata, Adi Godrej, Suresh Krishna (TVS)

MNCs: Munesh Makhija (GE), Suresh Narayanan (Nestle), Dilip Khandelwal (SAP Labs)

Large companies: A M Naik (L&T), Aditya Puri (HDFC Bank), N R Narayanamurthy (Infosys), Ravi Pisharody (Tata Motors CV), K B S Anand (Asian Paints), G V Prasad (Dr Reddy's Labs), Bhaskar Bhat (Titan)

Mid-sized companies: Harsh Mariwala (Marico), Kiran Mazumdar-Shaw (Biocon), P R S 'Biki' Oberoi (Oberoi Hotels), Meraj Manal (Himalaya), Dr Devi Shetty (Narayana Hospitals), William Bissell (Fabindia), Kiran Khalap (Chlorophyll)

Startups: Vijay Shekhar Sharma (Paytm), Raghav Bahl (Qunitillion Media), and Team Indus.

The result is a collection of stories that are authentic, filled with examples and anecdotes, and provide a fascinating glimpse into decision making in successful companies. What comes out is that innovation is not just for start-ups or small companies but for all companies, even the biggest.

As Aditya Puri, the managing director of HDFC Bank says in the book, customer needs change every six months and companies must build in the capability and speed to change quickly to stay competitive.

And even if you do your market research well, you can still make mistakes. As K B S Anand, the managing director of Asian Paints says in the book, not all ideas will succeed. Many ideas may fail because they are based on your understanding of the consumer and consumer is always a little different.

Every company profiled in the book has an interesting story. Encouraged by the runaway

* PMA Member



success of their quartz watches when they launched in India in the eighties, Titan made a bold move into European markets and almost went bankrupt. Again, when Titan launched the Tanishq brand of jewellery in the mid-nineties, they read the market wrong and had to make significant midcourse corrections before recovering. What led to those decisions and how the company recovered to become an Rs 12,000 crore giant today is a fascinating story.

To take a completely different example, Dr Devi Shetty of Narayana Hospitals is called the Henry Ford of heart surgeries because he made cardiac surgery affordable. But the great innovation at Narayana Hospitals is not just that they reduced the cost of a heart operation to about Rs 1 lakh: even that figure would have been out of reach for poor people. So what Narayana did was to work with state governments in Karnataka and elsewhere to create a group insurance scheme that even poor farmers could afford. As a result, over one lakh farmers in Karnataka have undergone a heart surgery in the last 10 years.

Or take the case of Biocon, where Kiran Mazumbar-Shaw is creating one of the first global pharmaceutical companies to produce Biosimilars, a potent new class of drugs to fight widespread diseases.

The book is full of such examples where companies have innovated continuously to create great value for their consumers. What makes the book stand out is the access the author had to the leaders of the companies covered in it. For example, Ratan Tata candidly talks about why the

Tata passenger cars haven't done as well as expected and discusses the hindrances to innovation in India.

Adi Godrej talks about the management processes across his companies that make Godrej one of the most efficient FMCG companies in India.

Suresh Krishna of TVS talks about the management secret that has allowed him to run Sundram Fasteners for 50 years without losing a single day to industrial unrest.

Suresh Narayanan of Nestle India talks about the lessons learned from the Maggi noodles crisis and how his company is now able to respond faster to market conditions.

Innovation Stories from India Inc: Their Story in Their Words brings out the often obscure world of corporate decision making to the open and we get fascinating glimpses into how some of the most innovative and creative decisions in Indian companies were made. The book is a valuable addition to how we understand business and will be of interest to all working professionals, MBA students, and to anyone with an interest in Indian business.

Total 142 pages

Price:-Rs. 399/-

Publisher :- Bloomsbury India, 2017



DUBAI- CITY OF OPPORTUNITIES

Dr.K.C.Sankaranarayanan*

Executive summary

Dubai features this year as the only Middle-Eastern city in PwC's Cities of Opportunity report, ranking 16th overall in the latest study that takes the pulse of 30 cities at the heart of the world's economy and culture. Cities of Opportunity analyses the development of 30 global cities, and through their performance seeks to add insight on the policies and actions that make cities function best. Dubai's greatest advantage is cost-effectiveness, offering better value than most developed or emerging cities and ranking 5th as the world's most affordable city, for instance the city ranks top for lowest corporate tax-rate globally, finishes 10th in cost of living and is 17th in the cost of business occupancy.

Introduction

Dubai, the dream land of people of many nations and especially people of Kerala, is marching forward under the able leadership of the present ruler, His Highness Shaik Mohammed bin Rashid Al Muktoum. Dubai, though a small state, has become the epicenter of UAE in development. The present ruler of Dubai is a visionary and he wants to make Dubai big in many respects. A survey conducted by a Swiss based International Institute for management (IMD) characterized Dubai as a 'city of opportunities'.

Dubai is ranked fifth in global affordability, seventh as an urban gateway, second in working age population, fourth in lowest crime rates, fourth for attracting foreign direct investment, seventh for real GNP growth, seventh for internet access and twelfth for healthcare systems.

On 4th January 2016 the present ruler has completed ten years as the ruler of Dubai. He provided and continues to provide a sophisticated and transparent government which focuses on citizen's happiness. During the ten years of his rule he managed to raise the standard of the government's competitiveness internationally by establishing institutions and work teams that focus on satisfying the citizens as well as residents and making them happy.

In a congratulatory message to His Highness Shaik Mohammed bin Rashid Al Muktoum on completion of his ten years of rule the President of UAE, His Highness Shaik Khalifa bin Zayed Al Nahyan

stated that during the last ten years His Highness Shaik Mohammed bin Rashid Al Muktoum stood out with his unique government philosophy in which the function of government officials is to bring happiness to citizens and where government agencies are managed like the private sector and rivals it with the services it provides. During the period of his rule he inspired thousands of young people and contributing unity and cohesion among the people of UAE and its leadership and promoting a world coherent and strong 'Emirati society standing strong against the violent changes experienced by the region.

His Highness Shaik Mohammed bin Rashid Al Muktoum is a visionary. Whatever big things are available in the world he wanted to have them in Dubai. Some of the examples in this respect are Burj Khalifa, the tallest building in the world, Dubai Mall, the world's most frequented destination, the Al Muktoum International Air Port with 600 flights operating in a week, etc.

The Dubai Expo 2020 which is expected to last from 20th October 2020 to 10th April 2021 is one of the major projects in the anvil. Twenty-five million people are expected to visit the Expo 2020. An area of 438 ha at Dubai Trade Center, Jabel Ali is designated to be developed for this purpose. Of this, 150 ha is exclusively dedicated for the Expo area and the rest is to be used for developing residential, hospitality and logistic zones. The whole work is to be completed in October 2019, one year ahead of the

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starting date of Expo 2020. Residential and other facilities are expected to be completed in 2018 and then the pavilion work will start. The residential site is expected to accommodate 300,000 visitors. Average weekday attendance is expected to be 153000 visitors. In connection with Expo 2020 around 275000 additional jobs are expected to be created. The economic impact generated by Expo 2020 is estimated to be \$17.7 billion.

Some other projects changing the face of Dubai are the second phase of Dubai water canal and Al Manzar project. Dubai has become a tourist attraction. More than 11 million tourists visited Dubai in 2013. The travel and tourism industry in Dubai is expected to generate 245000 direct jobs by 2023. Capital investment in this sector is expected to rise annually by an average of 4.5 percent to reach Dh.143.4 billion by 2023. According to a World Economic Forum Report (2013) on Tourism Competitiveness UAE stands 28th among 139 countries covered in the Report. And among UAE, Dubai stands first holding 66 percent share of the UAE's tourism economy.

Now Dubai is on a project to convert Dubai a green paradise by 2025. Dubai Municipality is planning to spend Dh.6 billion for landscaping and irrigation net-works to materialize this goal. Dubai has the deepest respect for women. According to the present ruler the appreciation for women stems from the noble values of Islam. The Global Social Progress Index ranks UAE as number one for the lowest level of violent crime's rate, the lowest homicide rate, the lowest under nourishment rate and the highest rate of involvement in secondary education.

Some of the other initiatives taken by the present ruler are listed below:

Dubai Cares campaign (2007) to raise money to educate one million children in poor countries. This program was Dubai's contribution to the UN Millennium Development Goals for providing primary education to every child by 2015.

He launched an Arab Centre (2008) for philanthropy and Universal Museum project to

bring together leading collections by globally recognized Museums for the first time. In the same year he launched Ramdan initiative called Noor Dubai to help the World Health Organisation and the International Agency for the Prevention of Blindness in achieving their goals outlined in Vision 2020—the right to sight.

In 2009 he launched the Shaikh Khalifa bin Zayed Al Nahyan government excellence program.

In 2010 he launched “My government initiative, an undergraduate portal to contact directly with clients dealing with the federal government entities. In 2011 he launched a Centre for Cultural Understanding, a non-profit organization to increase awareness and understanding between the various cultures that live in Dubai. In 2013 he launched the post-e-government era along with the launch of the mobile government initiative marking a significant breakthrough in the delivery of government services to the public through their mobile phones. In 2014 the UAE SUQIA initiative was launched to provide clear drinking water to five million people world-wide. The Happiness Meter was launched in the same year to measure the happiness and satisfaction of the public in government success on a daily basis using electronic devices connected to a central net-work. The National Sanitation Strategy was also launched in the same year to make UAE among the most clean nations in the world within the next seven years.

In 2015 an Insurance scheme was launched targeting about 130000 citizens. In the same year Arab Reading Challenge was launched to encourage students in the Arab world committing to read 50 million extra-curricular books during every academic year.

There is no ruler in the world who is so much concerned about the welfare of not only the natives but also the residents of the country. That is why he receives the sincere respect of the natives as well as the residents and the leaders of other nations.

Dubai's budget for 2016-17 proposes Dh.46.1 billion—and increase of 12 percent over the last fiscal. The budget shows an operating surplus of Dh.3.4 billion. This is a landmark budget which proves how the diversification from oil into trading, services and hospitality has helped the government and the country. The budget blends fiscal prudence with support for investment incentives. It is significant to note that oil is contributing only six percent of Dubai government's revenue. The continuous investment in infrastructure and social sectors shows the continuity in strategy that will make Dubai unique in the region. This will help Dubai in the long run to continue its leadership role in the region.

The budget is expected to stimulate and sustain growth. Health care, tourism, logistics and education are the keys to the growth of Dubai. Dubai has the most diversified economy in the region and does not depend on oil for its sustenance. Revenue from government services represents 74 percent of total government revenue. Tax revenue represents only 19 percent of total government revenue which includes customs and tax on foreign banks. There is no income tax and that is one of the major secrets of the growth and development of Dubai.

The distribution of government expenditure shows that wages and salaries represent 36 percent, general administration expenses, capital expenditure and grants and subsidies account 45 percent. The rest 19 percent is spent on other activities.

The budget proposes to generate 3000 new jobs in the government sector. Majority of the jobs are generated in the private sector. But the oil price fall is expected to have some negative impact on trade and therefore on private sector employment generation. Negative impact is already felt and many people have lost their jobs. The financial sector is the most affected sector.

The Dubai government in May 2018 initiated a new policy of granting residence visa for 10 years for highly qualified professionals, talented students, etc. The government is also trying to make Dubai one of the best centers for providing quality education. In this respect the government is trying to establish branches of the best universities in the world in Dubai. Students will be given working permits and the best students will be provided permanent jobs. The government has already granted foreigners to own property in Dubai. All these are expected to boost the Dubai's economic growth.

Conclusion

In the global findings, according to the report, London, the only city to finish first in three of the 10 indicators — economic clout, city gateway and technology readiness, a category it ties with Seoul — posts the highest score for the first time, with New York coming in second. In addition, London finishes a narrow second to Paris in intellectual capital and innovation and a narrow second to Sydney in demographics and livability, both key areas for future urban prosperity. However the opportunities at Dubai available to people from India particularly from Kerala are huge in nature and we have both geographical and demographic advantage to excel in that city.



CORPORATE SCENE:

AN OVERVIEW OF THE PERFORMANCE OF INDIAN MANUFACTURING SECTOR

Dr P Sivadasan*

Executive summary

India is fast becoming one of the most lucrative options for manufacturing industry to prosper. It has good potential in building the nation in terms of employment generation particularly to the youth. Government of India has fixed a target of attaining 25% of GDP to come from manufacturing sector. The Indian government had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. The environment which created by the government would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will help to improve the overall productivity of the manufacturing sector.

Introduction

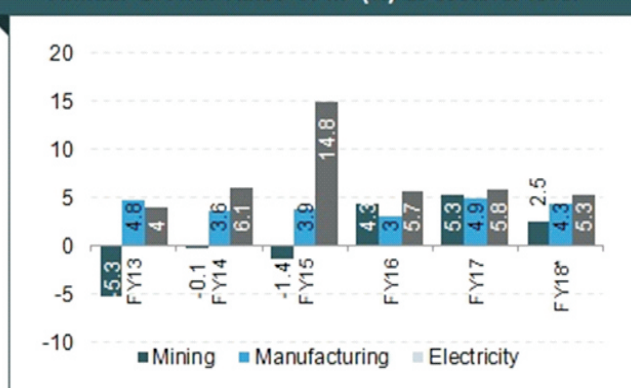
Manufacturing sector has its great potential in job creation, especially for the semi-skilled and unskilled labor force. Though majority of the Indian population is engaged in agriculture but there is huge amount of disguised unemployment. Therefore manufacturing sector is seen as a key to the India's economic growth. The growth performance of manufacturing industries can employ large pool of surplus labor employed in low productivity work in agriculture sector. The manufacturing sector in India comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. It is one of the important sectors both in terms of its spread over the economy and its contribution to the generation of income, employment and foreign exchange earnings. It contributed almost 15% of Gross Domestic Product (GDP). Similarly unorganized sector is of great relevance because it has a huge potential for job creation. Currently, contribution of manufacturing output to GDP is 16%. The government has set a target of increasing this contribution to 25%.

The Indian government had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020.

Manufacturing sector index

- The Index of Industrial Production (IIP) is prepared by the Central Statistics Office to measure the activity happening in three industrial sectors namely Mining, Manufacturing, and Electricity.
- It is the benchmark index and serves as a proxy to gauge the growth of manufacturing in India since manufacturing alone has a weight of 77.63 per cent in the index.
- The manufacturing component of the IIP recorded 4.4 per cent growth in FY17 and 8.7 per cent in January 2018.
- The production levels are expected to pick up growth again as the Goods and Services Tax (GST) has finally been implemented.

Annual Growth Rates of IIP (%) at sectoral level



Notes: FY18* - From April to January 2017-18

Source: Central Statistics Office



Market Size

The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 4.34 per cent during FY12 and FY18 as per the second advance estimates of annual national income published by the Government of India. Quarterly GVA at basic prices from manufacturing sector grew by 10.92 per cent in the third quarter of FY18. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

Cumulative Foreign Direct Investment (FDI) in India's manufacturing sector reached US\$ 73.70 billion during April 2000-December 2017.

India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- Mahindra and Mahindra is planning to start operating a fleet of electric cabs and supplying parts to Electric Vehicle (EV) manufacturers.
- Grasim Industries has received clearance for expansion of its plant at Vilayat. The expansion will entail an investment of Rs 2,560 crore (US\$ 396.8 million)
- Over 350 mobile charger factories are expected to be set up in India by 2025, on the back of the government's push to encourage production of battery chargers. Setting up of these factories is expected to lead to production of 1.46 billion chargers and generation of 0.8 million jobs.
- Government of India is planning to invite bids for setting up of 20 Gigawatts (GW) of solar power capacity with the objective of boosting domestic manufacturing of solar power equipment.
- JSW Energy has signed a memorandum of understanding (MoU) with the Government of Gujarat, for setting up an electric vehicle (EV) manufacturing unit in Gujarat at an estimated cost of Rs 4,000 crore (US\$ 608.88 million).
- With an aim to increase its presence in India, Denmark-based heating ventilation and air-conditioning (HVAC) giant, Danfoss, is planning to take its manufacturing localization to 50 per cent as well as double its supplier base in India by 2020.

Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- As of March 2018, Government of India is in the process of coming up with a new industrial policy which envisions development of a globally competitive Indian industry.
- The government has introduced two new World Bank assisted projects viz. SANKALP scheme and STRIVE scheme for skill development in the country.
- In Union Budget 2018-19, the Government of India reduced the income tax rate to 25 per cent for all companies having a turnover of up to Rs 250 crore (US\$ 38.75 million).
- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Government of India increased export incentives available to labour intensive MSME sectors by 2 per cent.
- The Ministry of Electronics and Information Technology is in the process of formulation of a new electronics manufacturing policy. The aim of the new policy will be to create an ecosystem of manufacturing in the country, enable India to become a significant global player in some of these categories.



- Ministry of Home Affairs liberalised Arms Rules to boost 'Make in India' manufacturing policy of the government. The liberalisation of the policy is expected to encourage investment in the manufacturing of arms and ammunition and weapon systems and promote employment generation.
- The Government of India has launched a phased manufacturing programme(PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Government of India is in talks with stakeholders to further ease foreign direct investment (FDI) in defence under the automatic route to 51 per cent from the current 49 per cent, in order to give a boost to the Make in India initiative and to generate employment.
- The Ministry of Defence, Government of India, approved the “Strategic Partnership” model which will enable private companies to tie up with foreign players for manufacturing submarines, fighter jets, helicopters and armoured vehicles.
- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US\$ 1.5 billion).

Conclusion

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors. With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.





March of Law Decisions of the Apex Court

A. CONTRACT LABOUR ACT, 1970 :
Appointed on fixed term- Not having any legal right to get extended period of his service.-

Employee was engaged as Technical assistant on contract basis initially for three months which was renewed in time to time. No further renewal was granted after June 2010. Aggrieved employee approached the Central Administrative Tribunal, then to High Court and finally on Supreme Court with a content that three other person on the same post have been appointed in May 2016.

All the court including Supreme Court dismissed his petition stating that ***“It is settled law that Contract Employee has no legal right either to get his/her contractual period renewed/extended or to get regularized his services”***

SLP No 22475-22476/2012 dt. 31.01.2018, Yogesh Mahajan Vs All India Institute of Medical Sciences, 2018 LLR 366

B. INDUSTRIAL DISPUTES ACT, 1947
Section 25F, 25G and 25 H Consequences of non-compliance

Workman was a part time sweeper. He has worked more than 12 months. Employer terminated the workman without following any procedure prescribed by law.

The aggrieved workman move to Labour Court and Labour Court awarded reinstatement with continuity of service without back wages. Management challenged the award with content that the workman not having the service of 240 days or more. The writ petition filed by the management was dismissed by the H'ble High Court of Gujarat and uphold the award passed by the Labour Court.

While passing the award following points are highlighted by High Court.:-

1. ***Termination of services of a part time sweeper without compliance of provision of section 25F, 5G and 25H of ID act is illegal***
2. ***Burden of proof to prove continuous service of 240 days or more is primarily upon the workman.***
3. ***To disprove the claim of workman, the management must lead cogent evidence by producing relevant records of attendance, payment of wages, leave PF ESI etc if not it substantiate the claim of workman.***

SCA No 780/2015 dt. 08 Feb 2018, Assistant Charity Commissioner Vs Makwana Natwarlal Devji, 2018 LLR 402.

C. Payment of Gratuity Act, 1972: Section 2A and 2(e) - Continuous service

A daily wages worker, who is having service of 22 years as a daily wages worker and his service has been regularized in last three years of service. On superannuation, worker has claimed for gratuity under the act. Employer denied on the ground that his regular service is less than 5 years. The controlling authority allowed the claim. The High court allowed the WP filed by the employer. Appellant employee challenged the order of HC by way of SLP. ***The SC held that once the employer (state) has regularized his services of the daily wages, the daily wages employee would be eligible to claim gratuity for the total period of his service including the services as daily wages as well as regular employee.*** Further SC opined the state must act as an honest person instead of taking legal defences on technical ground. Since the Act is beneficial in favour of weaker section of the society and imposed cost of Rs 25000/- against the state and order of HC are set aside.

CA No 1254/2018 dt. 23.3.2018, Netram Sahu Vs State of Chhattisgarh 2018 LLR 461

Source LLR April & May 2018; Compiled by MS Lenin, Senior Manager HR, Precot Meridian Ltd, 'A' Unit, Kanjikode.

