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**Chhatrapati Shahu Institute of Business  
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## Editorial Note

Turmeric is an important commercial crop in India. Indian turmeric is well known in the world market. The first article tries to explore the export potential of Indian turmeric.

Internet banking is a popular delivery channel provided by banks & there is an increasing number of bank customers using it. The second article aims at understanding the relationship between demographics & usage of internet banking.

The third articles discusses the pros and cons of debt waiver vs agricultural insurance. Fourth article is about talent management in hospitals. Relationship of Knowledge management and employee development is discussed in the fifth article. Case study on medical social work and Book review on 'Small Business Management' is presented at the end.

**Dr. C. S. Kale**  
Editor

# EXPORT POTENTIALITY OF INDIAN TURMERIC: AN INTROSPECTIVE ANALYSIS

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## 1.0 Introduction

India with 78% of the world turmeric output ranks first among the turmeric producing countries. Turmeric is an important commercial crop in India. With its flavour and other qualities of a good spice Indian turmeric is well known in the world market. India is a major producer, consumer and exporter of turmeric. The turmeric varieties exported from India include Alleppey Finger, Erode and Salem turmeric, Rajapore and Sangli turmeric and Nizamabad Bulb. The turmeric exports from India include items like Fresh Turmeric, Dried Turmeric, Powder Turmeric and Oleoresins etc. Oleoresins are demanded by the food and pharmaceutical industries abroad.

## 2.0 Objectives of the study :

1. To understand the imports and exports of the Indian Turmeric in the recent past; volume and value.

2. To study the country-wise exports of Indian Turmeric by volume and value.
3. To understand the problems of exporting the Indian Turmeric and suggest the measures to increase the exports.

## 3.0 Export Potentiality of the Indian Turmeric

The following features of the Indian turmeric bring out its export potentiality: (i) India has improved high yielding cultivars of turmeric. (ii) There is a strong research base for Turmeric cultivation. This is evident by the research undertaken by Indian Institute of Spices Research, Callicut and also by the State Agricultural Universities in different states. (iii) Establishment of Agri Export Zone by APEDA.

Table 1 shows the imports of turmeric from India from the year 2012-13 to 2016-17.

Table 1: Turmeric Import into India for 2012-13 to 2016-17 (Qty in Tons & Value in Rs.Lakhs)

Year	Turmeric Imported		Total Spices Imported	
	Qty	Value	Qty	Value
2012-13	2,495 (1.89)	2,173.89 (1.03)	1,31,722	2,10,231.86
2013-14	1,350 (1.03)	5,931.55 (0.02)	1,30,010	2,90,513.76
2014-15	9,300 (6.70)	7,987.00 (1.92)	1,38,715	3,84,382.00
2015-16 (P)	15,330 (9.23)	14,634.60 (3.27)	1,65,920	4,46,622.42
2016-17 (Est.)	14,150 (6.96)	16,498.20 (3.58)	2,03,225	4,60,692.75

Note: (P) Provisional; (Est.) Estimate; Figures in Parenthesis indicate Percentage to Total  
Source: DLI from Customs/DGCI&S, Kolkata



Table 2 explains turmeric exports from India from the year 2012-13 to the year 2016-17. In 2012-13, the exports of turmeric were 88513 tons i.e. 12.18% of the total spices exported.

**Table 2: Turmeric Export from India for 2012-13 to 2016-17 (Qty in Tons & Value in Rs.Lakhs)**

Year	Turmeric Exported		Total Spices Exported	
	Qty	Value	Qty	Value
2012-13	88,513 (12.18)	55,487.70 (4.58)	7,26,613	12,11,275.80
2013-14 (P)	77,500 (9.48)	66,675.85 (4.85)	8,17,250	13,73,539.26
2014-15 (P)	86,000 (9.62)	74,435.00 (4.99)	8,93,920	14,89,967.53
2015-16 (P)	88,500 (10.49)	92,165.00 (5.67)	8,43,255	16,23,822.99
2016-17 (Est.)	1,16,500 (12.29)	1,24,189.00 (7.03)	9,47,790	17,66,460.65

Note: (P) –Provisional; (Est.) Estimate; Figures in Parenthesis indicate Percentage to Total

Source: DGCI&S, Kolkata/Shipping Bills/Exporters' Returns

Table 3 shows the country-wise exports of turmeric from India. In the year 2013-14 the largest quantity of exports of turmeric were to Iran i.e. 11130 tons and it was 14.36% of the total exports.

**Table 3: Country-wise Export of Turmeric from India for 2013-14 to 2016-17 (Qty in M.T.; Value in Rs.Lakhs)**

Country	2013-14		2014-15		2015-16		2016-17 (EST)	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Iran	11,130.00 (14.36)	8,281.83 (12.42)	10,319.00 (11.99)	7,280.96 (9.78)	13,141.09 (14.84)	11,975.44 (12.99)	14,862.40 (12.75)	13,575.50 (10.93)
U.S.A.	4,247.63 (5.48)	5,279.25 (7.91)	4,717.80 (5.48)	6,064.87 (8.14)	5,543.95 (6.26)	9,388.53 (10.18)	6,830.39 (5.86)	11,410.39 (9.18)
Bangladesh	1,838.18 (2.37)	1,206.19 (1.80)	7,283.06 (8.46)	5,045.09 (6.77)	4,802.80 (5.42)	2,478.43 (2.68)	12,772.51 (10.96)	10,464.78 (8.42)
U.A.E.	6,817.74 (8.79)	4,460.30 (6.68)	7,264.29 (8.44)	5,148.07 (6.91)	5,905.65 (6.67)	5,298.46 (5.74)	8,195.76 (7.03)	7,646.26 (6.15)
Malaysia	5,677.86 (7.33)	6,800.56 (10.19)	5,913.48 (6.87)	5,222.30 (7.01)	6,375.79 (7.20)	6,593.10 (7.15)	6,249.37 (5.36)	6,408.74 (5.16)
U.K.	2,867.10 (3.69)	2,737.51 (4.10)	3,566.93 (4.14)	3,358.02 (4.51)	3,935.00 (4.44)	4,410.65 (4.78)	3,892.94 (3.34)	5,473.00 (4.40)
Saudi Arabia	3,480.87 (4.49)	2,833.48 (4.24)	3,413.09 (3.96)	2,996.65 (4.02)	4,105.28 (4.63)	4,196.04 (4.55)	5,257.16 (4.51)	5,036.65 (4.05)
South Africa	2,423.04 (3.12)	2,136.67 (3.20)	2,514.93 (2.92)	2,293.83 (3.08)	2,228.69 (2.51)	2,444.97 (2.65)	5,257.16 (4.51)	5,036.65 (4.05)
Morocco	2,071.00 (2.67)	1,326.15 (1.98)	3,002.50 (3.49)	2,087.50 (2.80)	2,294.14 (2.59)	2,027.27 (2.19)	5,271.30 (4.52)	4,655.87 (3.74)
Sri Lanka	4,186.95 (5.40)	3,726.35 (5.58)	4,838.38 (5.62)	3,485.05 (4.68)	4,634.09 (5.23)	4,337.24 (4.70)	4,758.18 (4.08)	4,482.59 (3.60)
Germany	1,760.53 (2.27)	1,848.69 (2.77)	1,993.40 (2.31)	2,159.42 (2.90)	2,450.90 (2.76)	3,145.06 (3.41)	2,838.15 (2.43)	4,231.07 (3.40)
Spain	2,751.25 (3.55)	1,888.97 (2.83)	3,176.40 (3.69)	2,259.76 (3.03)	2,231.85 (2.52)	2,014.24 (2.18)	3,857.70 (3.31)	3,864.65 (3.11)
Other Countries	28,247.85 (36.48)	24,149.90 (36.30)	27,996.74 (32.63)	27,033.48 (36.37)	30,850.77 (34.93)	33,855.57 (36.80)	36,486.98 (31.34)	41,902.85 (33.81)
<b>Total</b>	<b>77,500.00</b>	<b>66,675.85</b>	<b>86,000.00</b>	<b>74,435.00</b>	<b>88,500.00</b>	<b>92,165.00</b>	<b>1,16,500.00</b>	<b>1,24,189.00</b>

Note: 1. EST – Estimate

2. Figures in Parenthesis indicate Percentage to Total

Source: DGCI&S, Kolkata/Exporters' Returns/DLE from Customs



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Note: 1. EST - Estimate

2. Figures in Parenthesis indicate Percentage to Total

Source: DGC&S, Kolkata/Exporters' Returns/DLE from Customs



# DEMOGRAPHIC VARIABLES AND THE EXTENT OF USAGE OF INTERNET BANKING.

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## ABSTRACT

The introduction of internet technology has brought about a rapid change in the way in which various banking services are provided to the bank customers. Internet banking is a popular delivery channel provided by banks and increasing number of bank customers have been using internet banking to avail of various services and to perform their banking transactions. However the extent of usage of internet banking differs among the customers. This study aims at understanding the relationship between Demographics and the extent of Usage of internet banking. Data collected from 450 bank customers using internet banking through structured questionnaires revealed that the demographic variables; gender and marital status have a significant influence on the extent of usage of internet banking. Age has an influence on the period of use, number of banks at which internet banking is used and the non transactional services used, whereas age does not have a significant influence on the frequency of use and the transactional services used in internet banking. It was also found that educational qualifications and occupation do not have an influence on the extent of usage of internet banking except for the period for which the respondents have been using internet banking.

**Key Words: Internet Banking, Demographic Variables, Extent of Usage.**

## 1.0 Introduction

Advancements in the Information technology Services has facilitated the shift from branch banking to electronic banking (e-banking) and has enabled the banks to introduce various delivery channels such as ATM's, internet banking and mobile banking. Internet banking or online banking enables the banks to allow

their customers to execute bank related transactions via a secured Internet application. The users of Internet Banking mostly use this channel to apply for opening an account, to request for account statement, cheque book, credit/debit card, for receiving alerts, utility payments, fund transfers, recharge mobile phones, download application forms, to enquire



product information (Chawla & Sehgal, 2012) and to perform an array of other transactions at their convenience and ease without visiting the banks. Internet banking has revolutionized an integral activity of our modern twenty first century banking (Singh, 2013).

Majority of the bank customers are very comfortable and are willing to use the internet banking services (Mirza, Beheshti, Wallstrom, & Mirza, 2009). However the adoption and usage of internet banking has been found to be influenced by factors such as demographics, attitude of the bank customers, perceived benefits and perceived risks in using internet banking. This study focuses on the influence of Demographic variables on the extent of Usage of internet banking.

## 2.0 Review Of Literature

Many researchers have studied the influence of demographics on the adoption of electronic banking. However less research has related demographics with the extent of usage of such services. Al-Ghaith, Sanzogni and Sandhu (2010) found that Gender was one of the factors that played a significant role in the adoption of e-service among the participants in Saudi Arabia and also that Saudi women are more likely to adopt the e-service rather than Saudi men. Contrary to these findings the study investigating bankers' views regarding e-banking by Sharma (2011) in Northern India revealed

that there is greater incidence of e-banking usage among the males belonging to middle age (30 to 50 years), and that women customers use such services much less frequently. The study also found that occupation-wise, the professionals, followed by business class, make more use of e-banking services.

The study by Ismail and Osman (2012) showed that there was no significant relationship between e-banking usage in Sudan and the demographic factors; gender, marital status, education, and occupation. Similarly the study by Munusamy and De Run (2012) found that gender educational level, occupation and race did not have an influence on the adoption of Internet banking among retail consumers, whereas only age and income had a negative influence on the adoption of Internet banking.

The result of the study by Mirza et al. (2009) showed a significant influence of gender, educational level and occupation on the adoption of internet banking, however the impact of age on the adoption of online banking services was not found to be prominent. The study also found that highest use of internet banking was by the male customers and those having higher educational level and are in the middle class income group. It emerged from another study by Domeher, Frimpong, & Appiah (2014) that the education level of the customers have a significant positive impact on the adoption of E-banking and that there is no significant relationship



between age and income level on the adoption of E-banking.

Nasri (2011) examined the influence of demographic characteristics on consumer adoption and usage of Internet Banking in Tunisia and found that instruction (education) and occupation have significant relationships with the usage of internet banking and that instruction is a significant factor explaining internet banking adoption.

The study by Li (2013) found that Individual differences (age, education, experience and income) had an indirect effect on actual use of Internet Banking in Taiwan via the four key constructs; Perceived Ease of Use, Perceived Usefulness, Perceived Risk and Attitude towards using. Actual Use of Internet Banking was studied in three dimensions: frequency of use, volume of use and transaction amount.

The study by Suriyamurthi, Mahalakshmi and Karthik (2012) revealed that education, gender and income play an important role in the usage of internet banking. Whereas another study by Mermud (2011) found that the usage rate of internet banking is significantly related with the education levels and income level and that there is no significant relationship between the age level and gender on internet banking practices.

Singh (2013) analysed the factors that drive customer's perception about e-banking in suburban India. The findings indicated that demographic variables;

gender, age, qualification, income and tenure of accounts holding in the bank are the deciding factors for the customer to determine the frequency of usage of e-banking and the type of e-banking services to be used. Sikdar and Makkad (2013) analysed the correlations between age-groups and preference towards particular internet banking service offerings. The study revealed the fact that customers belonging to relatively younger (18-30, 30-40) as well older (50-60, 60 & Above) age-groups have preference towards non-transactional services (i.e. checking balances, accessing statements etc.). On the other hand, customers of the middle-age group (40-50), have significantly higher patronage towards transaction based services (fund transfer, bill & tax payments etc.). In another study by Mirza et al. (2009) it was found that information enquiry for balance statements and credit card statements was an important factor in the adoption of internet banking service by Iranian customers rather than other Internet Banking services such as transferring money, foreign exchanging, buying and selling stock and utility payment.

### **3.0 Objectives of the Study :**

- i) To understand the influence of demographics on the extent of Usage of internet banking among the bank customers.
- ii) To analyse the influence of demographic variables on the dimensions

of Extent of usage of Internet Banking.

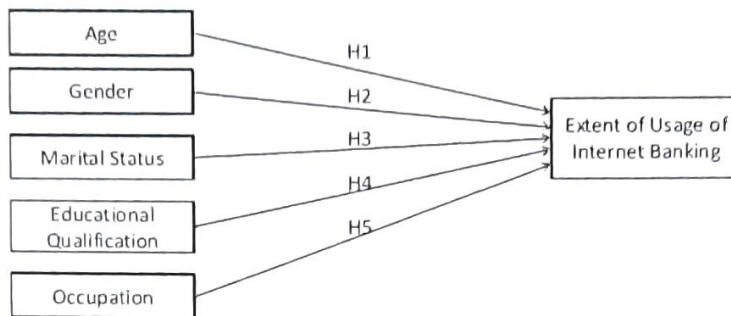
#### 4.0 Research Methodology

This study was based on the primary data relating to demographics and the extent of usage of internet banking, collected from the bank customers using internet banking, from the state of Goa in India. Convenience sampling was adopted for the survey. The data was collected from 450 users of internet banking by administering a structured questionnaire. A five point likert scale with responses ranging from Never (1) to Always (5) was

used to measure the frequency of use of the eleven internet banking services. Cronbach's Alpha scores for the 11 services used was 0.837 and for the extent of usage was 0.702 which suggests good reliability of the scale items.

The significance of the relationship between demographic variables and the extent of usage was analysed by using independent sample T-Test, one-way analysis of variance (ANOVA), Pearson Correlation and mean difference test. The hypotheses were checked at 0.05 level of significance.

#### Research Model



**Figure 1. The proposed Research Model**

The Research model shown in Figure 1. Studied the influence of the Demographic variables; age, gender, marital status, educational qualifications and occupation on the extent of Usage of internet banking by the bank customers. The extent of Usage of internet banking was examined under the dimentions; period of use of internet banking, number of banks at which internet banking is used, frequency of use of internet banking in a month, non transactional services used and the

transactional services used.

The non transactional services included 5 items relating to viewing the account statements, downloading the Account history, application forms and deposit/interest slips, Request for cheque book, demand draft and updating the records. The transactional services included 6 items relating to making payments towards utility Services, Insurance premiums and EMI's on loan, Fund Transfer, Payment for online reservations and making Fixed/Recurring Deposits



## 1. Relationship between Age and the Extent of Usage of Internet Banking.

Table 1: Influence of Age on the Extent of Usage.

		Period of Use	Number of Banks	Frequency of use	Services Non Transactional	Services Transactional
Age	Pearson Correlation	.370**	.115*	.061	.159**	.067
	Significance (2-tailed)	.000	.015	.195	.001	.153
	N	450	450	450	450	450

The result of Correlation between Age and the dimensions of extent of Usage of internet banking revealed that there is a significant relationship between age and Period of Use, Number of Banks at which internet banking is used and Internet Banking Services which are Non Transactional. There is no significant relationship between age and Frequency of use and Internet Banking Services

which are Transactional. Hence hypotheses null is partially supported. The analysis by comparing means shows that older respondents (above 32 years) were found to be using internet banking for a longer period, at more number of banks and for more services. The frequency of using internet banking was higher among the middle aged customers in the age group 32 to 58 years.

## 2. Relationship between Gender and the Extent of usage of internet banking.

Table 2: Influence of Gender on the Extent of Usage

Sr. No.	Extent of Usage	Male		Female		Test of Mean Difference	
		Mean	SD	Mean	SD	t	P
1	Period of Use	49.63	35.11	35.61	30.65	4.438	.000
2	Number of Banks	1.798	0.963	1.550	0.826	2.775	.006
3	Frequency of use	2.402	1.461	2.029	1.462	2.615	.009
4	Services Non Transactional	2.762	0.883	2.553	0.827	2.486	.013
5	Services Transactional	2.778	0.948	2.430	0.961	3.737	.000

The T-test results show that there is a significant relationship between Gender and all the dimensions of Extent of Usage of Internet Banking. Hence null hypothesis is fully supported. The analysis by comparing means shows that the extent of Usage of Internet Banking is higher among the males as compared to females.



### 3. Relationship between Marital Status and the Extent of usage of internet banking.

**Table 3: Influence of Marital Status on the Extent of Usage.**

Sr. No	Extent of Usage	Single		Married		Test of Mean Difference	
		Mean	SD	Mean	SD	t	P
1	Period of Use	31.975	25.487	54.485	36.904	-7.631	.000
2	Number of Banks	1.5672	.84659	1.8193	.96484	-2.909	.004
3	Frequency of use	2.1095	1.3992	2.3896	1.5176	-2.033	.043
4	Services Non Transactional	2.5532	.82704	2.7912	.88669	-2.916	.004
5	Services Transactional	2.5257	.88130	2.7483	1.0227	-2.479	.014

The T-test results show that there is a significant relationship between Marital status and all the dimensions of Extent of Usage. Hence null hypothesis is fully supported. The analysis by comparing means shows that the overall extent of Usage of Internet Banking is higher for married respondents as compared to those who are single.

### 4. Relationship between Educational qualifications and the extent of usage of internet banking.

**Table 4: Influence of Educational Qualifications on the Extent of Usage.**

Sr. No.	Extent of Usage	F Value	Sig.
1	Period of Use	3.581	.007
2	Number of Banks	1.078	.367
3	Frequency of Use	.213	.931
4	Services Non Transactional	.575	.681
5	Services Transactional	1.411	.229

The analysis of Variance (ANNOVA) results shows that there is no significant influence of Educational qualifications on the various dimensions of extent of usage of internet banking except in the case of period of use of internet banking. Hence null hypothesis is supported only for Period of Use. Further, the analysis by comparing means shows that the respondents having Doctorate as their highest qualification have been using Internet Banking for a longer period and have been using the transactional and the non transactional services more frequently as compared to the respondents with other educational qualifications. The respondents who are Post Graduates have been using internet banking at more number of banks and more often in a month.



5. Relationship between Occupation and the Extent of usage of internet banking.  
**Table 5. Influence of Occupation on the Extent of Usage.**

Sr. No.	Extent of Usage	F Value	Sig.
1	Period of Use	2.542	.028
2	Number of Banks	1.913	.091
3	Frequency of use	1.142	.337
4	Services Non Transactional	.571	.722
5	Services Transactional	.692	.629

The analysis of Variance (ANNOVA) results shows that there is no significant influence of Occupation on the various dimensions of extent of usage of internet banking except in the case of period of use of internet banking. Hence null hypothesis is supported only for Period of Use dimension. Further, the analysis by comparing means shows that Retired respondents have been using Internet Banking for a longer period. The frequency of use, the number of banks at which internet banking is used and the usage of transactional services is found to be higher among the professionals and the usage of non transactional services is higher among the businessmen.

### 6.0 Discussion

The Survey results and analysis revealed that there is a relationship between demographic variables and the extent of usage of internet banking. Age is found to have a significant influence on the period of use, number of Banks at which internet banking is used and on the Non transactional services used, however there is no significant relationship found between age and frequency of use and internet banking services which are Transactional. Previous studies also found a significant influence of age on the usage of internet banking (Munusamy & De Run, 2012; Li, 2013; Singh, 2013). Whereas some other studies (Domeher et al., 2014; Mirza et al., 2009; Mermod,

2011) found that there was no influence of age on the adoption and use of internet banking.

In the study gender influences all the dimensions of extent of usage of internet banking. Previous studies have also found significant influence of gender on the usage of internet banking (Sharma, 2011; Suriyamurthi et al., 2012; Singh, 2013). This study also found significant influence of marital status on all the dimensions of extent of usage of internet banking. These results contradict the findings by Ismail and Osman (2012) which showed that there was no significant relationships between e-banking usage and marital status.

The results of the study revealed that there was no significant influence of Educational qualifications and occupation on the extent of usage of internet banking



except for the period of use. They influence only 1 out of the 5 dimensions of extent of usage. These findings are similar to previous studies which showed that there is no significant relationships between e-banking usage and Educational qualifications and occupation (Ismail & Osman, 2012; Munusamy & De Run, 2012).

It was found that the period for which the bank customers have been using internet banking is influenced by all the demographic variables, whereas there are differences in the relationship between other dimensions of extent of Usage and demographic variables. The number of banks at which internet banking is used and the use of non transactional services is influenced by age, gender, marital status and not by educational qualifications and occupation. Frequency of use and the use of transactional services is influenced by gender and marital status and not by age, educational qualifications and occupation.

### **7.0 Conclusions:**

The survey results and analysis shows that the demographic variables have varying influence on the dimensions of extent of usage of internet banking. Among the demographic variables, gender and marital status have a significant relationship with all the dimensions of extent of usage. Educational qualifications and occupation influence only the period of use, and age has a partial influence on the extent of usage of Internet

Banking services. The extent of usage was found to be higher among the customers who are above 32 years, males, married, having doctorate as their highest qualification and are professionals.

Internet banking is a remarkable development in the banking sector. Internet banking provides benefits to both bankers and customers alike (Singh, 2013). An understanding of the relationship between the demographic variables and the dimensions of extent of usage shall enable bank managers to direct their efforts and resources towards different categories of bank customers in the most effective manner so as to increase the adoption and the extent of usage of Internet banking. In future the popularity and usage of internet banking is expected to grow rapidly as customers realize the convenience and the many other advantages that it provides.

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# Debt Waivers v/s Agricultural Insurance: A Comparative Efficacy

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## **Abstract:**

A debate on debt waivers versus agricultural insurance and public investment in agricultural and rural development is not a new phenomenon in India. The total bill of the loan waivers that are again in demand at all India level from 2017 till 2019, may touch to the tune of Rs. 3, 00,000 crore (Ashok Gulati, 2018). As in the past, the loan waivers in future might give temporary relief to cultivators but the agriculture like in the past is unlikely be revitalized (Ibid). Therefore often the debates on compulsory agricultural insurance besides the premium payment by the government advocated the change in insurance law in order to make it possible. Besides free electricity and irrigation tariff waivers different states in India in past also have declared agricultural debt waivers at various occasions. On an average the frequency of such debt waivers comes to be ones in six years (Parchure, 2013). The largest ever agricultural debt waivers scheme called as the "Agricultural Debt Waivers and Debt Relief Scheme (ADWDRS)-2008" that involved a financial burden to the tune of Rs. 71,680 crore was declared by the then Congress led UPA (United Progressive Alliance) government at the centre meant to arrest the increasing number of farmers' suicides in the country. The present paper is based on generating relevant primary data from 366 debt relief beneficiary farm households from two districts each of Andhra Pradesh (Anantpur and West Godavari) and Maharashtra (Nanded and Nasik) states. In addition to this, 10 farm households from each districts obtaining bank loans but were not the beneficiaries of the said waiver-cum-relief scheme formed a control group..

## **1.0 Introduction:**

The ADWDRS-2008 which was introduced in the Union Budget-2008 by the UPA-I which was to the tune of Rs 71, 000 crore was expected to cover the pending farm debt of about 36 million cultivators in the country. In order to assess the actual impacts of the scheme, the field level study of four districts from the two states of Andhra Pradesh and Maharashtra was conducted. Respectively the districts selected for the study were Nanded and Nasik from Maharashtra and Anantpur and West Godavari from Andhra Pradesh. Pre and post ADWDRS comparison of the number of credit accounts, total amount of credit and the average amount of credit per account

show that the same have increased during the post package period. The package could not bring about any conducive environment for farm related investments. The opinion of both the study/beneficiary and control group farmers about the demoralization of the regular repaying farmers is not in favour of reoccurrence of such programmes in future. Even some of the beneficiary farmers are not in favour of such debt waiver programmes to be announced in future. During and post package period no significant change in the cropping pattern was observed in both the states. As the crop wise yield levels do not bring out any evidence about the productivity improvements in the study districts there is no significant impact of



the scheme on productivity was observed. The package has shown no positive impact on the repayment behavior of farmers as the pre and post package pendency of loans are observed to be of substantially identical.

Post package proportion of overdue of loans of the study farmers from Andhra Pradesh remained at 64 per cent at the minimum and 100 per cent the maximum. The same for Maharashtra it was 74 and more than 100 per cent; meaning that the accumulation of principal with the interest makes the case worse. As all previous loans were repaid under the ADWDRS, it appears that the farmers now have the expectation that such programmes will be reocurred in future too. Even though the non-ADWDRS control group farmers (those who didn't receive the waiver benefits) were also found with their loan overdue but their relative performance was better in terms of regularity of repayment than the ADWDRS beneficiaries from both the states.

## **2.0 Data and Methodology:**

The entire analysis that forms the present paper is predominantly based on the primary data obtained from the ADWDRS - 2008 beneficiary farm households from two districts from each of the states of Maharashtra and Andhra Pradesh respectively. These districts were Nasik and Nanded from Maharashtra and West Godavari and Anantpur from Andhra Pradesh. All these four districts from the two states were selected on the basis of the availability and an extent of irrigation cover. The primary information(s) were obtained mainly through the household survey of beneficiary farmers' households from the states of Maharashtra and Andhra Pradesh. Rationale behind selecting the respective states for the present study is that the state of Andhra Pradesh is a state which happens to be the largest beneficiary state of the ADWDRS-2008 while Maharashtra happens to be the

agriculturally unique state in the country but one of the severely affected states by farmers suicides and most of the suicides have been due to the credit pendency on account of both the institutional and non institutional sources (Parchure and Tahule 2012).

Usually the schemes like debt waiver are not expected to bring any direct benefit for the cultivators nor does it improve the financial efficiency of the banking sector in the long term. On the contrary as the debt waiver usually includes only the defaulting farmers and excludes the regularly repaying ones, the schemes like debt waiver leaves the entire banking sector with a mandatory option of an adverse selection. Therefore it is necessary to work out the feasibility of public investment in the agricultural and allied sectors and find out whether an efficient subsidy mechanism can be a substitute or can it replace the requirement of frequent farm debt waivers which usually do not bring any long term transformation in the country's agricultural sector.

## **Sample Plan:**

For the purpose of the collection of the primary data two districts each from the state of Maharashtra and Andhra Pradesh were selected and while selecting the districts from both the states the basis was the availability and the extent of irrigation cover. 90 farmer households from each of the district have been covered for the purpose and thus in total the sample covered 180 farm households from each of the state (186 from AP). Hence the total number of the sample of the beneficiary households belonging to the four districts from two states is 366. In order to cover the farm credit delivery points one District Central Cooperative Bank (DCCB), one Commercial Bank (CB) and one Regional Rural Bank (RRB) were identified from the selected districts of both the states of



Maharashtra and Andhra Pradesh. For this purpose the basis was the amount of debt waived under the ADWDRS-2008, as well as, the banks suggested by lead bank managers from the respective states or the NABARD officials. Further three (03) branches of each of these banks were selected on the basis of the higher benefits received under the ADWDRS-2008 or as suggested by the concerned bank higher authority. Hence the selection of the concerned bank branches was based upon combination of two factors viz. the amount of the money received under the ADWDRS-2008 as well as, the suggestions of bank officials. Therefore the selection of the bank branches had a strong and mutual base between the implementing banks and the study team which happened to be helpful in bringing a higher degree of accuracy in the collection of the data. The list of beneficiaries of the ADWDRS-2008 available at the selected financial institutions was used as a source list to draw a sample of 30 farm households from each of the selected financial institution. This way in all 90 farm households were surveyed from every selected district and the total of 180 farmers from each of the state.

In addition to this, 10 farm households per district were interviewed as the control group. This group consisted of the farmers' households which had obtained bank loans but were not the recipients of the ADWDRS-2008 (may be the regularly repaying households of loans, hence didn't get the ADWDRS benefits). Also the officials from the financial institutes from the respective state were contacted in person. They were the branch managers, lead bank managers, chief officers of selected banks. The attempt was also made to contact and interview the Insurance officials to strengthen the understanding about different aspects of the problem related to farm credit and

insurance.

### **3.0 The Context and Review:**

Most of the Indian farmers belonging to all categories of land-holding need credit both for the farm operations and agricultural investments. Also during the lean seasons and the unforeseen situations like drought they need credit for self-consumption and maintaining their livestock. Many a time farmers are found borrowing for the repayment of earlier debts. Therefore an access to formal credit becomes an indispensable matter for the farming community. Limited access to the institutional farm credit and low penetration (about 26 per cent) of agricultural insurance have been underlying causes of persistent poverty in rural parts of the country (Townsend, 2006). This is true especially in the case of poor and predominantly agricultural economies like India, where bank credit is expected to serve the dual purpose of enabling productive investment and providing insurance against highly volatile income streams. However, in the Indian case the absence of sophisticated instrument to mitigate income risk, such as the insurance risk and future contracts, even farmers with initial access to institutional credit have found accumulating an extreme levels of debt (accruing to both the institutional and private agencies), factually excluding them from bank credit in future. This has resulted in about half of the (49 per cent) Indian farmers carrying cultivations and their pending debt. In Indian case, generally the pending of farm debt is mainly on account of crop vagaries and low insurance penetration. Credit linked crop insurance launched in the 1970s has remained confined to about 24 per cent where the unit of application is the area and not the individual farmer. Low penetration of agricultural insurance coupled with frequent crop failures on many occasions has led to accumulation



of farm credit. This has its political repercussions on one hand. On the other hand low recovery of the farm credit also weakens the credit mechanism leaving the lending institutions with an option of adverse selection. As a result of the farm credit accumulation and the political repercussions of the same, successive governments, in the past resorted to credit waivers.

Potentially far-reaching macro-economic and political implications of extreme farm indebtedness have resulted into a range of large scale debt relief initiatives in the past. In India, during the period between 2000 and 2006, average household debt increased six-fold where as in Mexico, annual increase in the outstanding consumer credit was 35 per cent and the same was more than doubled in Brazil (Fibelman, 2009). The recent farm credit waiver which was announced in the union budget of 2008 for about Rs. 71 thousand crore was of-course not the first of its kind. Earlier India enacted a nationwide farm debt relief programme was in 1989 and the same was for US \$ 3 bn. This debt relief of 1989 was based on outstanding debt and was not based on the landholding criteria. The question that arises from such fiscal instruments is whether the credit waiver does actually benefit farmers or it is just a temporary relief to them and leaves the banks with adverse selection in future. Therefore the post waiver response of farmers and the assessment of the same on banks need a careful scrutiny. Most often, the farmers regular in repayment are excluded from such debt waiver schemes hence the post waiver trends of repayment and a surge in credit demand may leave banks with adverse selection. With this context the study has focused on the comparison between the pre and post debt waiver pattern of farm credit demand and repayment patterns. And with this approach the impact of credit waiver both on banks and the farming economy

benefitted by the waiver programme is assessed. It is widely acclaimed that the benefit of such debt relief programmes are substantial. But their merit as an instrument to promote financial inclusion, investment and boost to agricultural productivity remains highly controversial. But in this context, Mayers (1977) while building on theories of debt overhang and risk shifting has argued that the extreme level of household debt distorts investment and production decisions so that the debt waiver holds the promise of productivity improvements. Whereas commenting on the Agricultural and Rural Debt Relief Scheme-1989 (ARDRS-1989) Shailendra and Kartar Singh (1994) observed that the loan waiver schemes are bound to severely hamper the functioning of credit institutions, as they did in Karnataka's co-operatives.

#### **4.0 Results and Discussion:**

##### **Debt Waiver v/s Crop Insurance:**

Now let's consider the relative merits of a credit linked crop insurance system such as the one operating in India over the policy of debt waivers. A debt waiver may be referred to as a completely arbitrary political gift of money that is given to loanee farmers. Primarily, the scheme of Debt Waivers leads to the creation of such conditions that leads to adverse selection and moral hazards when it comes to the utilization of scarce government resources both among farmers and populist politicians. Secondly, the schemes like debt waivers thrashes out all the hard work done by the banks and insurance agencies in lending and recovering the loans.

Debt Waiver Scheme when compared to the indemnities paid out through crop insurances is expensive in nature. For a glimpse of the magnitudes, consider this. The annual subsidy both on central and state government accounts at 50 per cent coverage of loanee farmer works out to Rs. 1558 crores. If crop insurance is up



scaled to all loanee farmers this figure will double to Rs. 3116 crores. Over a period of a decade (which is roughly the periodicity of debt waivers in the past) the total subsidy works out Rs. 31160 crores which is less than half of Rs. 70,000 crore that the debt waiver doled out in 2008 budget on central government account alone! (Parchure, 2013)

Even if all non-loanee farmers are covered then the annual subsidy both on the central and state governments would be Rs. 7790 crores which over the course of a decade will stand at Rs. 77900 crores distributed over 120 million loanee and non-loanee farmers. In terms of political economy this makes much more sense than doling out Rs. 70,000 crores to 25 million loanee farmers on central government account alone (Parchure, 2013). Even if the sum insured is increased to cover input cost plus subsistence the annual subsidy on both central and state government accounts will not exceed Rs. 13,350 crores.

#### **Role of the State in Agricultural Insurance: A Redefinition of its Scope:**

This point about state intervention in agricultural risk management needs generalization, amplification and refinement. Parallel to the central government besides the irrigation and electricity tariff waivers the state governments also in past have shown a tendency to declare debt relief packages from time to time (approximately once in six years) as per the need of the situation (Parchure, 2013). The funds that are released by the state governments under such waiver packages will be utilized much more efficiently if the same are channeled through the crop insurance system in terms of (a) reaching exactly to those areas/farmers that have faced the greatest adversities and (b) reaching to them intact without any leakages.

#### **5.0 Conclusions:**

The present paper mainly aimed the review and the evaluation of the ADWDRS-2008 under which the Government of India waived the accumulated farm debt for Rs. 60,000 crore covering over 36 million cultivators. The basic objective of the study being to evaluate the immediate pre and post farm credit demand and supply pattern and the overall impact of the ADWDRS on the beneficiary farmers, lending institutions and the fiscal state of the funding agency i.e. the central government the primary data from the ADWDRS beneficiary and the control group farmers from four districts of Andhra Pradesh and Maharashtra were obtained. The striking findings about the borrowing and the repayment behavior of the concerned farmers' households brought out that most of the farmers have been borrowing for various purposes and from all the available sources at their disposal. About the repayment, most of the proportions of credit borrowed for almost all purposes have shown unpaid debt accumulation. This certainly will have the negative impact on the financial health of the lending institutions in the long run. About the insurance related behavior of these farmers the data were obtained on the Crop, General and the Life Insurance categories. The pattern of buying of Insurance across all categories of Insurance has shown that the Insurance penetration among all these farmers happened to be less than the national average of the country. Both the study and control group farmers from Andhra Pradesh are not much interested in insurance subscription. But the proportion of both the groups of farmers i.e. the ADWDRS beneficiary and non-ADWDRS control group willing to subscribe to the insurance is observed to be substantially high in Maharashtra. This is indicative that the farmers of



Maharashtra are aware of the advantages of insurance and therefore the government needs to be more proactive and outreaching in this regard or even can make the crop insurance popular and compulsory. This can be either through whole or part premium payment instead of arbitrary policies like the ADWDRS-2008. This will lead to multiplying of the benefits such as, avoidance of the negative opinion of public about the debt waiver, avoidance of adverse selection, inclusion of both the loanees and non-loanee in the fiscal transfers and the optimal and equal fiscal benefits to all.

Some ADWDRS farmers despite being beneficiaries of the ADWDRS-2008 were not insistent on the continuation of the programme; instead they expected the policies helping their self-reliance. In such a context the policies like the compulsory or state sponsored insurance or the capital formation and investment policies strengthening the agricultural economy will be more useful and strength building in nature. The crop categories for which the sample ADWDRS farmers of both the states have insured are Cereals and Oil seeds and Cotton in Andhra Pradesh and Oil seeds, Horticulture and Pulses in Maharashtra. Post 2005 borrowing by the farmers from both the states and of both the categories (i.e. the sample ADWDRS-2008 beneficiaries and control group) of farmers shows that 93.65 per cent of the sample ADWDRS-2008 beneficiaries from Andhra Pradesh have borrowed from different sources whereas; the proportion for the same for Maharashtra is 100 per cent. About the control group the same happened to be of the order of 83.33 per cent and 100 per cent respectively. The striking fact that has emerged from the field level data is that most of the loans borrowed for all the purposes and from all available sources are pending which shows a greater proportion of overdue. This is the major

factor of concern for lending institutions and needs to be considered as a strong negative impact of the ADWDRS on the banks/financial institutions. Despite the pendency of earlier credit, most of the times, the farmers have been re-borrowing for their agricultural operations. The maximum frequency of borrowing by both these groups from both the states is observed to be of nine times. Lending institution wise disaggregation of the proportion of the ADWDRS farmers and the number of times of their borrowing show that in all 54.24 per cent of the farmers from Andhra Pradesh have borrowed for once, 26.53 for two times, 12.93 for three times and 4.08 per cent have borrowed for nine times during their profession as the cultivator. For Maharashtra the same is observed as; 40.48 per cent for once, 23.81 for two times, 15.48 for three times and 6.54 per cent have borrowed for four times respectively. Overall average for both the states emerges as; 46.98 (once), 25.08 (twice), 14.29 (thrice), 4.44 (four times), 2.54 (five times), 2.86 (six times) and 2.22 per cent (nine times) respectively. Comparison of pre and post ADWDRS situation about the purpose and source-wise borrowing and the proportion of repayment and overdue indicates post ADWDRS decline in the proportion of repayment and increase in overdue. This clearly indicates the case of moral hazard/adverse selection. But when looked at the change in credit access to farmers through the pre and post ADWDRS comparison of the number of credit accounts, total amount of credit and the average amount of credit per account the inferences elucidate that there has been a substantial growth in all these indicators which clearly shows that the post ADWDRS access of credit to farmers has grown. The proportion of pendency exceeds the proportion of repayment and thereby the pendency-principal ratio becomes greater



than the repayment-principal ratio for both the states' ADWDRS beneficiary farmers. The purpose of ADWDRS was to clear the NPAs of the banks and restore the farmers' credit accounts with the future credit ability and the credit paying capacity (monetization) of the banks. When the farm debt accounts were cleared and the money they were supposed to pay to the banks was saved, in such cases the farmers have used the saved amount of money in purchasing of livestock such as the milching cows, a pair of bullocks or the small animals like sheep and goats. But the proportion of such farmers from Maharashtra is almost negligible (1.1 per cent) the same from AP is observed to be of higher. The programmes like the ADWDRS-2008 or the ARDWS-1989 exclude by default the regular debt repaying farmers and leave credit institutions with the option of adverse selection. This is bound to demoralize both the lenders and the borrowers. The (demoralized) regular repaying farmers cannot be in favor of introducing such programmes like the ADWDRS. Even some beneficiary farmers are not in favor of such debt waivers. There are farmers who feel demoralized and do not want a recurrence of such schemes in future. Instead they expect agricultural development policies. In conclusion this means that the government, instead of spending money in popular programmes like the ARDWS-1989 or ADWDRS-2008 can use the same money either for capital formation in agriculture, agricultural investments or for part or full payments of crop insurance.

The main conclusions therefore are; one; that the programmes like debt waiver being completely an arbitrary political gift of money to loanee farmers create conditions for moral hazards in the utilization of scares government resources, it undermines at stroke all the hard work done both by the lending and

insurance agencies in disbursing and recovering the loans. There is a relative merit in the credit linked Crop Insurance system such as the one operating in India over the policy of debt waiver. In fact the debt waivers are costlier t not only than indemnities paid out through Crop Insurance, but the indemnities and subsidies together stand less than the debt waivers such as the ADWDRS-2008 (see also Table 9), and two; looking at the Compulsion of the crop insurance at the national level the element of compulsion in agricultural insurance has come under the scanner of the courts and the law because going by the established legal principles it is viewed unfavorably. The economic argument would suggest otherwise. The problems like food security and the farmers' income security are nationwide. This applies to both the loanee and non-loanee farmers. In case of the loanee farmers, the risk faced by them has ripple effects on the solvency of loan portfolio of lenders. In case of non-loanee farmers the risks have to be absorbed by the farmers themselves when they are in fact unable to bear them. Considering this it may be desirable to amend the IRDA Act and to make Agricultural Insurance compulsory for all farmers having the size of holding below say five hectors of land. This will greatly facilitate the task of extending larger credit flow towards agricultural sector.

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**Annexure:**

**Table 1: Pre and Post ADWDRS Reason wise Average Household Borrowing and Repayments**

Purpose of Borrowing	Pre ADWDRS			Amount Overdue	Per Cent Overdue
	Loan	Repayment	Per Cent Repayment		
Agriculture	6040.984	1752.459	29.01	3265.027	54.05
Irrigation	234.973	5685.792	2419.77	3027.322	1288.37
Education	2459.016	1622.951	66.00	1092.896	44.44
Consumption/Health	409.836	0.000	0.00	409.836	100.00
Housing	1612.022	2185.792	135.59	3415.301	211.86
No Response	109.290	84.426	77.25	54.645	50.00
<b>Total</b>	<b>10866.120</b>	<b>9708.470</b>	<b>89.35</b>	<b>11265.027</b>	<b>103.67</b>
	Post ADWDRS				
Agriculture	25112.02	6434.46	25.62	46876.56	186.67
Irrigation	1502.73	3330.60	221.64	5286.89	351.82
Education	8292.35	402.19	4.85	7247.81	87.40
Consumption/Health	7551.91	1330.60	17.62	11346.45	150.25
Housing	17978.14	1879.78	10.46	17407.10	96.82
No Response	286.89	304.64	106.19	204.92	71.43
<b>Total</b>	<b>60724.04</b>	<b>13682.28</b>	<b>22.53</b>	<b>88369.73</b>	<b>145.53</b>

*Source: Computed*

**Table 2: Pre and post ADWDRS Comparison of Households' Loan Account Performance**

Source of Borrowing	Pre ADWDRS				
	Amount		Per Cent	Amount	Per Cent
	Loan	Repayment	Repayment	Overdue	Overdue
RRR	1290.44	2021.04	156.62	2555.46	198.03
Commercial Bank	1754.10	8229.51	469.16	5778.69	329.44
Pvt. Persons	5792.35	259.56	4.48	2295.08	39.62
<b>Total</b>	<b>8836.89</b>	<b>10510.11</b>	<b>118.93</b>	<b>10629.23</b>	<b>120.28</b>
Source of Borrowing	Post ADWDRS				
	Loan	Repayment	Per Cent	Overdue	Per Cent
	Loan	Repayment	Per Cent	Overdue	Per Cent
RRR	3469.945	2295.418	66.15	10456.28	301.34
Nationalized Bank	8633.88	9296.2568	107.67	38412.57	444.91
Pvt. Persons	38314.21	4014.2077	10.48	36003.55	93.97
SHG	1284.153	27.322404	2.13	1311.475	102.13
<b>Total</b>	<b>51702.19</b>	<b>15633.205</b>	<b>30.24</b>	<b>86183.88</b>	<b>166.69</b>

Source: Computed

**Table 3: Details of Average Household Credit Waiver Received by the Study Farmers**

Loan/Waiver	AP				MH				Total			
	Coop	CBs	RRBs	Total	Coop	CBs	RRBs	Total	Coop	CBs	RRBs	Total
Original Loan	5163.30	3703.63	4359.86	13226.88	3428.14	18721.17	1054.10	23203.41	8591.54	22424.80	5413.95	36430.29
Amount Repaid	647.46	267.76	184.89	1100.11	92.57	3241.86	185.52	3519.94	740.03	3509.61	370.41	4620.05
As Per Cent of (1)	12.54	7.23	4.24	8.32	2.70	17.32	17.60	15.17	8.61	15.65	6.84	12.68
Amount Waived	7233.27	3890.64	5383.91	16507.81	4133.22	12893.03	961.75	17988.00	11366.48	16783.67	6345.66	34495.81
As Per Cent of (1)	140.09	105.05	123.49	124.81	120.57	68.87	91.24	77.52	132.30	74.84	117.21	94.69

Source: Computed

Note: AP = Andhra Pradesh and MH = Maharashtra



# Effect of Talent Management Practices on Employee Retention in Hospitals

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## ABSTRACT:

This paper discusses the impact of talent management practices on employee retention with respect to selected private hospitals in Sangli city. Sample of 23 respondents in the 4 private hospitals was selected. 23 employees from various designations were picked using simple random sampling from each private hospital. Questionnaires were administered to these employees over the period of study. Chi-Square Test was used to establish the relationship between talent management practices and employee retention that influenced them to continue in the same hospital. The Chi-square value that was obtained at 95% confidence level revealed that there is significant relationship between talent management practices and employee retention strategies in selected hospitals in Sangli.

**Keywords:** Talent Management, Employee Retention, Employee Satisfaction, Employee Turnover

## 1.0 Introduction :

The hospitals being the part of service sector are largely dependent for their success and survival on the performance of human resource. This need makes the hospitals to recruit talented and skilled employees. But the real struggle of the hospitals just begins here. As recruiting and selecting the skilled, talented staff is not just enough. The hospitals also need to retain them for long term. This process requires them to search continuously for the next skill set required within the staff for the competitiveness and then upgrading those skill sets on continuous basis. This eventually leads to skill management practices where negligence is observed in most hospitals due to

various reasons and then it becomes one of the reasons for employee turnover. Secondly even the hospitals manage the skills of the employees then again there lies a risk of losing the talented staff. The hospitals need to first define the talent precisely and then need to manage it within every human resource function. Failing to do this the hospitals can face the problem of losing the talent which can be very costly affair to the hospitals.

## 2.0 Objectives of the Study:

1. To study the current practices of talent management adapted for employee retention by selected private hospitals in study area.
2. To study the relationship between



talent management practices and employee retention in selected hospitals in study area.

3. To draw the conclusion and suggest appropriate remedies, if required.

### 3.0 REVIEW OF LITERATURE:

1. Yona Sakaja Mangusho, Raphael Kipkoech Murei (2015), The researchers have conducted a research on "Evaluation of Talent Management on Employees Performance in Beverage Industry: A Case of Delmonte Kenya Limited", talent management practice within organization is an international human resource strategy that seeks to identify, develop, deploy and retain talented and high potential employees. The objectives of the study were to determine the effect of talent retention on employees' performance, assess how talent attraction impacts, effect of learning and development on employees performance in beverage industry in Kenya. The study adopted a descriptive research design in which the target population of 2,500 employees of Del Monte Kenya. The study used stratified sampling method to select 83 employees according to their job cadres. Descriptive statistics such as the standard deviation, percentages and frequency distribution were used. The study established that the job retention motivated the employees of Del Monte leading to ultimate performance. The study recommended that the management should ensure the work environment was

attractive to the employees so as to motivate, thus leading to better performance.

2. Victor Oladapo, (2014). His study sought to understand the challenges and successes of talent management programs and the reasons why some American companies choose not to have a program. This study also tested the predictive power of job security, compensation and opportunity on retention rates.

The data in this study found that for the organizations sampled with a talent management program (69% of those studied), participants overwhelmingly recognized the strategic value often effective talent management program despite significant challenges to implementation. Participants cited opportunity for job advancement as the most significant factor affecting retention rate. For the organizations sampled without a talent management program (the remaining 31% of those studied), while nearly all HR managers' support talent management, the primary reason given for the lack of a program is the absence of executive management support. The study further revealed that job security, compensation, and opportunity for advancement were not found to have predictive value for employee retention rates. The current study was exploratory and descriptive in nature, and therefore helped to define some of the parameters and patterns of the perceptions of HR personnel regarding what matters in



employee retention. The current study does not directly assess all of the potential factors relevant to employee retention, but uses the preconceived ideas of the researcher.

3. Ali Chitsaz-Isfahani, HamidReza Boustani (2014). The researchers had conducted research on "Effects of Talent Management on Employees Retention: The Mediate Effect of Organizational Trust" Talent management is found to be important for modern organizations because of the advent of the Modern economy, new generations entering the human resource and the need for businesses to become more strategic and competitive, which implies new ways of managing resource and human capital. In this research they had investigated the relationship between Talent management, employee Retention and organizational trust. The aim of the article is to examine the effect of Talent management on employee Retention through organizational trust among staffs of Isfahan University in Iran. The research method is a descriptive survey. The statistical population consists of staffs of Isfahan University in Iran. The sample included 280 employees, which were selected randomly. Data have been collected by a researcher-developed questionnaire and sampling has been done through census and analyzed using SPSS and AMOS software. The validity of the instrument was achieved through content validity and the reliability through

Cronbach Alpha. The results of hypothesis testing indicate that there is a significant relationship between Talent management, employee Retention and organizational trust. The study is significant in that it draws attention to the effects of talent management on organizational trust and employees Retention in organization. The limitation of this study was it just aimed on six dimensions including Career Management, Mentoring, Coaching, Training, Job Experience and Succession Planning on employee Retention through organizational trust among staffs of Isfahan University in Iran. While other comprehensive dimensions were not covered.

4. Maya M., R. Thamilselvan (2013), The researchers had performed a study on "Impact of Talent Management on Employee Performance and Organizational Efficiency In ITSP's with reference to Chennai City", in his study addresses how talent management practices help in improving the performance of employees and its role in organizational efficiency. The survey was carried out on ITSP's in Chennai city. NASSCOM ranked top 5 companies were chosen and the samples were selected from the software development group, where job hopping behavior is very high. The data were analyzed using chi square test and Friedman analysis. The result showed a significant association on the role played by talent management in



employee's performance and organizational efficiency. This study was restricted to only top 5 Information Technology Service Provider companies and hence the researcher does not have the knowledge about rest of the low performing companies.

5. Usha Tiwari, Devanshi Shrivastava, (2013) The researchers had conducted a study on "Strategies And Practices Of Talent Management And Their Impact On Employee Retention And Effectiveness." They had studied the strategies and practices of talent management and their impact on employee retention and effectiveness of its execution at AREVA T&D India Ltd. The prime focus of this study has to analysis the talent management initiative taken by the HR professional and find out the effectiveness of such initiatives as well as the satisfaction level of the employees. Simple percentage analysis, Chi square test and analysis of variance (ANOVA) were used for evaluation. The study revealed that age of employees is independent from satisfaction but experience of employees does affect the satisfaction with the practices of talent management. Finding of ANOVA revealed that each of the parameter has a different impact on effectiveness of talent management practices but a distinctive impact on employee's satisfaction.

6. Kwenin D. O., Muathe S., Nzulwa R., (2013) The researchers had worked on "The influence of employee rewards,

human resource policies and job satisfaction on the retention of employees in Vodafone Ghana Ltd." The purpose of their study was to investigate the influence of employee rewards, job satisfaction and human resource policies on employee retention in Vodafone Ghana Ltd. The study surveyed 120 employees from Vodafone Ghana Ltd. Data collection was done by means of a semi structured questionnaire through personal contacts. Data was analyzed with descriptive statistic and Pearson Chi-square. The result showed that when organization's reward systems are adequate, it does not only lead to equity, but increase retention. It was also found that job satisfaction and favorable human resource policies have positive link with retention. A limitation of the study was that the questionnaire was voluntarily completed by the respondents; the researcher there for had no information about non respondents.

7. Akila R. (2012) The researcher had carried a research on "A study on employee retention among executives at BGR energy systems Ltd. Chennai". The employee retention programme at BGR was not found satisfactory. The analysis of data revealed that employees have give highest weighting to comfortableness in working hours and not satisfied with the annual increments provided. Gender has significant relationship with work life balance. Correlation between job satisfaction and working condition leads to employee retention. The departments

also have an influence on it. The factors that had a greater influence on employee retention were career opportunities, work life balance and recognition at BGR energy.

8. Richard C. Hoffmana\* and Frank M. Shippera, (2011) The researchers had engaged a study on "The impact of managerial skills on employee outcomes: a cross cultural study" Leaders with global skills are in demand by MNCs. Global management skills depend on the applicability of management practices across cultures. Using data from managers in 50 countries, this study examines the interaction effect of cultural values and managerial skills on two outcomes, employees' attitudes and workgroup effectiveness. The results indicate that cultural values tend to have a greater effect when a manager is less skilled than when the manager is highly skilled. When the manager is highly skilled, the interaction effects of culture tend to disappear. The practical and research implications of these findings are discussed.

9. Anappindi S. and Manohar M.S. (2011) The researchers conducted a study on "I am here to stay ! The stock broking way (an Indian perspective) : part 1."

This study focused on how better one can integrate the employee aspirations with the goals and missions of an organization. The factors like changing office dynamics, grown intellectuality and aspiration etc. were studied for employee

retention.

10. Ghosh Koustab and Sahney S. (2011) The researchers had studied the "Impact of organizational socio-technical system on managerial retention – A general liner modeling approach." This study concluded that in the industrial organizations, designing the managerial jobs by balancing the both organizational social and technical subsystem elements does impact on managerial retentions.

#### 4.0 HYPOTHESES OF THE STUDY

There is no significant relationship between talent management practices and employee retention strategies in selected hospitals in study area."

#### 5.0 SAMPLE SIZE:

The study targeted 23 respondents from 4 private hospitals in full operation in Sangli City during the period of research. Out of 25 well established hospitals, 4 private hospitals were selected. The respondents in the research were selected using the random sampling procedure. 23 employees were picked using random sampling from each hospital. It is a combination of 5 doctors, 10 nursing staff and 8 ward representatives.

#### 6.0 STATISTICAL TOOLS AND TECHNIQUES USED:

A questionnaire was used to collect data. The study incorporated data analysis tools, which included descriptive and inferential statistics to analyze the data



collected. Chi-square test was used to establish the relationship between talent management practices and employee retention.

From the observed frequencies, the expected frequencies were calculated using the formula;

Expected frequency (E) = Row total X Column total/Grand total

### **7.0 FINDINGS AND DISCUSSIONS:**

1. It is identified that most of the hospitals take very less efforts have been taken to develop talent and skills of the employees.

2 Even some of the hospitals are conducting the talent management practices but the frequency of these activities is negligible.

3 Employee's talent needs are less considered while developing and implementing the talent development activities.

4 Even after completion of talent development activities the employees are less concerned for higher responsibilities and for the pay hikes.

### **8.0 CONCLUSIONS**

It is concluded from the study that majority of the employees prefer hospitals for different reasons. So, the private hospital owners have to take steps to retain the employees by not only proving them with ample talent development activities but also they have to consider their talent

needs while designing these activities. These hospitals have to increase the frequency of such talent development activities and link them with their promotional strategies.

### **9.0 RECOMMENDATIONS**

1 The private hospitals have to take the talent management practices seriously and should not implement the just for the sake as it has a direct impact on employee retention. If these hospitals loose talented employees then the quality of services provided by the hospital and goodwill of the hospital remains on the stake.

2 Before designing the talent management practices the talent needs of the employees should be assessed very carefully. Failing to do this the success of talent management activities will remain questionable.

3 The hospitals should increase the frequency of such talent development activities and should relate it with employee promotional strategies after assessing their consequent performances.

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# Knowledge Management and Employee Development - Issues and Aspects

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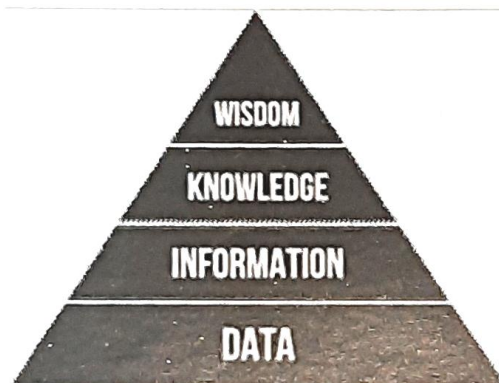
## Abstract:

Knowledge management is an emerging area in corporate world. Today's economy is considered as a knowledge economy where organizations started generating the worth through the knowledge. Knowledge is the biggest asset in corporate world. Knowledge has different forms and it can be found at various levels in the organization. If organization loses the knowledge at any level, they are losing the opportunity which comes through the knowledge. Knowledge cannot be derived in a single day; it is a long term activity. Knowledge develops within a employee after certain years of experience in a specialized field. The knowledge which employee develops within the organizations social environment is very important part in his overall development and to achieve the goals of the organization. If organization able to capture such type of social knowledge it would be useful for next generation employees in the organization. For this reason nowadays knowledge management becomes an important activity in every organization.

When employee joins the organization, they are fresher for organizations social and cultural environment. The social environments encode some knowledge within itself and this is known as social knowledge. If employee tries to understand this social knowledge it would become easier for him to achieve the goal while working in the organization. Social knowledge develops after employee enters in the organization and when he starts working in the organization. In this regard the management of social knowledge would be crucial for individual employee as well as for the organization.

The current research paper focuses on the role of social knowledge in employee development in the organization.

**Keywords:** Knowledge, Knowledge Management., Social knowledge





Data is a basic concept in a pyramid. Data is a collection of raw facts and figures. When data is processed it gives information. Knowledge is deep and clear understanding of information. Wisdom is a state of mind of an human being where a person is able to predict or he is able to take decision without having data or information. It is a state of human mind where he or she can apply rule of thumb to take decision. As we observe the pyramid the area occupied by data is more and this area goes on decreasing as we move to the upper levels. The reason behind this is that though the raw facts and figures are large in size, manager has to process that data to generate meaningful information from it. Many times the data gets repeated, redundant, ambiguous data is there, meaningless data is there. So though the size of data is more while we process data for meaningful information the size of the information get reduced. Knowledge is an understanding of information. Knowledge occupies less area than information.

### **1.0 Types of Knowledge:**

The basic knowledge can be classified as:

1. Tacit Knowledge which is in human mind and brain which derives through organizational procedure, facts and through experience.
2. Explicit knowledge which is coded in external means like books, internet, organizational documents etc. It is easy to capture explicit knowledge as compared

to tacit knowledge.

Organizational knowledge can be classified as:

1. Social knowledge which represents social situations, culture, control behavior etc.
2. Axiomatic knowledge is a basic knowledge that is believed to be intrinsic within organizations employees. It is a basic knowledge which is required to enter in an organization.

Knowledge plays an important role while completing task in an organization. Though employee is having the basic knowledge he or she requires the organizational knowledge to complete their task. To get that knowledge organization should implement proper knowledge management mechanism. Knowledge management is a concept of finding, creating, gathering and sharing knowledge for organizational processes. Knowledge management is getting right knowledge to right person at right time.

Knowledge management has different dimensions like strategy, organizational culture, organizational processes, management and leadership, technology and politics. Every dimension is important to implement knowledge management mechanism in an organization. Many companies, government organizations and nonprofit organizations have started to dedicate the resources to implement knowledge management mechanism in an organization. Organizations can be



benefitted such as improvement in performance, competitive advantage, innovation etc. by the continuous efforts in management of knowledge in an organization.

## 2.0 Review of Literature:

Funmilola Olubunmi Omotayo in his article, "Knowledge Management as an important tool in Organizational Management: A Review of Literature" wrote as the emergence of knowledge base economy has placed an importance in effective knowledge management. Knowledge management mechanism helps to achieve competitive advantage for organizations. Creating, managing, sharing and utilizing knowledge effectively is vital for an organization for survival, competitiveness and profitability. He wrote as knowledge came from three mechanisms namely people, processes and technology. So People, processes and technology should be connected with each other for leveraging knowledge in an organization. The management of knowledge has generated considerable interest in business and management. The knowledge management has been promoted as an important factor to achieve competitive advantage. Organizations need a good capacity to retain, develop, organize and utilize their employee's capability. Now a day's Knowledge management is defined as a key driver for organizational performance.

Davenport and Prusak (1998) define knowledge as "A fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new Experiences and information. It originates and is applied in

the minds of knower's." People are the source of knowledge. Ability of human to think creatively and uniquely combined with experience and talent makes human a valuable source of knowledge. People are creators and consumers of knowledge. Knowledge management begins, revolve around and end with people. People feels knowledge need to compete their daily tasks. So this daily need should be met through tools, processes, systems etc. Technology is an enabler and foundational element of KM plan. With the advancement of ICT knowledge management can be achieved through technological solutions.

Blackler (1995) defines knowledge as taking five distinct forms: embodied, embedded, embrained, encultured, and encoded. Polanyi (1966, 1967); Nonaka (1994); Nonaka and Takeuchi (1995) describe knowledge as existing in two dimensions – tacit and explicit knowledge. Tacit knowledge is ingrained knowledge whereas explicit knowledge is formal and systematic knowledge. Tacit knowledge is difficult to collect whereas explicit knowledge is easy to code, collect, store and distribute. Explicit knowledge can get through external means like books, documents, internet etc. To get tacit knowledge you have to observe the people and their working style. Nonaka and Takeuchi (1995) say that explicit knowledge is "grounded" in tacit knowledge and is created by externalization (visualization, articulation, or codification) of tacit knowledge. Explicit knowledge is the part of tacit knowledge that can be expressed verbally and does not represent the entire body of knowledge. Because knowledge is largely tacit and individually owned, it is difficult to have charge of, and control over it.



To exploit knowledge more efficiently organizations need to codify and store the individual's knowledge. This involves making tacit knowledge explicit and transposing individual knowledge into organizational knowledge. This transformation can be made possible through information and communication technology. Organizations should focus to convert tacit knowledge to explicit so that individual's knowledge becomes organizational knowledge. To make it practically possible organizations need knowledge sharing mechanism. Knowledge improves internal processes and operations of an organization.

The need to create knowledge in organization has been identified above. It is equally important to point out that, in order for any activities requiring knowledge to be effective, knowledge held by organizations must be easily accessible and retrievable. This means that organizations must organize their knowledge so it is retrievable by the appropriate individuals. When an employee leaves an organization, his idea, information, experience, contact, relationships and insights leave with him if no attempts are made to identify, capture and share this knowledge in the organization. How then can we ensure an employee's knowledge is not lost when such employee leaves? This brings us to sharing of knowledge. Knowledge sharing has been described as a key activity of effective Knowledge Management (Gururajan and Fink, 2010; Lee and Choi, 2003; Olatokun and Nwafor, 2012; Amayah, 2013; Rabi, 2009; Epetimehin and Ekundayo, 2011; Oluikpe, 2012; Paquette and Desousa, 2011; Ekeke, 2011).

The sharing and transfer of

knowledge is very important for knowledge management. The emergence of Knowledge management also coincided with the development of the global knowledge based economy in which emphasis has been shifted from traditional factors of production, namely capital, land and labor, to knowledge. The nature of work has changed enormously with the shift from an industrial economy, focusing on commercial products, to a knowledge based economy, where service and expertise are the main business outcomes (Epetimehin and Ekundayo, 2011). Several researchers (Jasimuddin, 2008; Davenport and Prusak, 1998; Day, 1994) argue the effective management of knowledge is a critical ingredient for organizations seeking to ensure sustainable strategic competitive advantages.

Ulrike Schultze and Dorothy E. Leidner in their article, "Studying Knowledge Management In Information System Research: Discourses and theoretical Assumption" wrote as in information system most research on knowledge management assumes that knowledge has positive implications on an organization. Varun Grover and Thomas H. Devenport, "General Perspectives on Knowledge Management: Fostering a Research Agenda" wrote as Knowledge is an important asset for the organization and if organizations are able to manage that asset it will give profit for the organization. Ikujiro Nonaka and Vesa Peltokorpi wrote in their article "Objectivity and Subjectivity in Knowledge Management: A Review of top 20 articles" as in recent years knowledge management has received attention from academics and practitioners. Mihir Parikh wrote in his article, "Knowledge management



framework for high tech research and development" as with growing product and process complexity and rising pressure to create and sustain competitive advantage through rapid, continuous innovation modern high tech firm depends on efficient management of research and development activities and knowledge development through these activities. He defines the role of knowledge management in new product development processes as well as the implications for the manager in employing knowledge management in research and development activities of high tech firm.

Claire Melnerney wrote in his article, "Knowledge management and the dynamic nature of knowledge" knowledge sharing in an organization is based on understanding of knowledge creation and transfer. Knowledge is residing in an organization; people have to use this knowledge for organizational benefits. The goal of knowledge management projects is to transfer tacit or implicit knowledge into explicit, easily accessible formats.

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# CASE STUDY: MEDICAL SOCIAL WORK

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## **1.0 THE BACKGROUND:**

There is female 19 years old from Hindu and Marathi speaking family. She was married and pursuing her MBBS first year. This family was economically sound and settled in an urban area. There was no history of any financial strains for the family. The girl too was good in academics.

## **2.0 THE PROBLEM & ITS HISTORY:**

In spite of the sound socio-economic background the girl had the complaints pertaining to her psychological behavior and mood swings since three years. The family observed phases of angry outburst, irritate nature, crying spells, feeling pessimistic and having suicidal tendencies.

According to informants the patient was a brilliant and cheerful. But the patient's grandma wanted their granddaughter to get married as grand mother's health was deteriorating. She wanted to see her granddaughter's marriage. Patient was just 16 years old when she got married. She was sharp student & her in-laws allowed her to continue with her studies. She obtained good marks in her board exams & got admission at Govt. medical college.

Her in-laws supported her for her education initially, but simultaneously she was experiencing the harassment from her husband & in-laws. She could not bear the emotional turmoil & consumed sleeping pills. The marriage lasted only for 6 months & she got divorced. She had to discontinue her education due to the trauma.

But then her father again supported her & made her to continue her education. After few months, her elder brother's marriage was fixed who was also a medico (pathologist). Brother's marriage was a triggering factor. She enjoyed the ceremony & stayed back for few days at home. But when she saw the parents behaving very good to their daughter-in-law & the amount of freedom given to her & the care & affection they had towards her made her depressed. She became irritable & hostile towards her parents & thought that they are enemy to her. She lost her control, poor self-image, stigma of divorce, developed low self-esteem, gradually started beating her parents & throwing household articles out of anger. She had a strong conclusion that they ruined her life.

## **3.0 THE DIAGNOSIS:**

A trained medical social worker interviewed the girl. She was quite stable due to medication, has motivation to complete her education. Excessively bothered about her looks & appearance, feels insecure & thinks that her life is meaningless, feels jealous of her brother and her wife. The anger towards her father & mother persists.

### **(i) Relevant Negative History:**

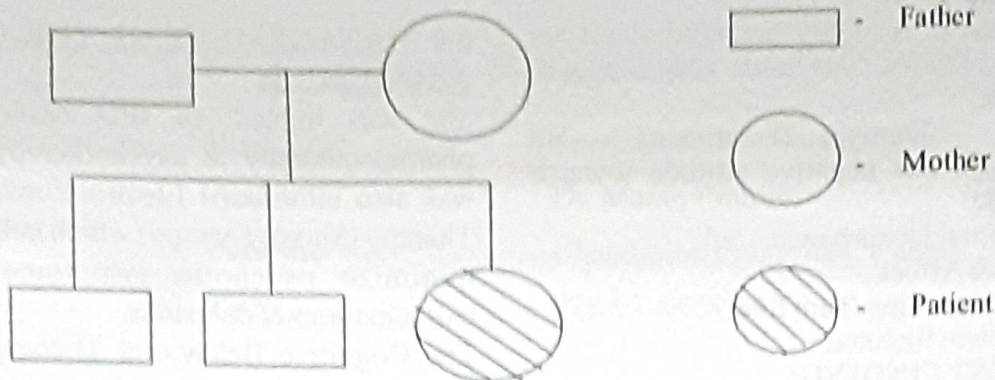
There was no History of any head injury, substance use, depressed mood, high fever or epilepsy. There was no History of mental illness in the family.

### **(ii) Treatment History:**

There was no History of any past treatment for physical/mental issues.

### **(iii) Family History:**





There is no history of physical illness or psychiatric illness in the family. There are five members in the family. Attitude of family members towards the patient is supportive & caring. Family relationship is cordial.

**Present living condition:**

She belongs to wealthy family. Father is Gold smith & has got 3 own shops. Both brothers are pathologist & have their own practice.

**(iv) Present History:**

**Early childhood:** There is no H/O any birth complications. She was born out of full term delivery. There is no H/O any neurotic symptoms persisting eg. Thumb sucking, nail biting, eye blinking etc.

**Childhood History:** Her early adjustment was good. Outstanding performance in academics. Her school relationship & attitude towards siblings and playmates was co-operative & holds a good conduct.

**Later Childhood:**

**Peer Relationship:** Outgoing child, cheerful & social. Had large number of friends but very few close friends.

**School History:** Academically bright student. She was a favorite student of all teachers. Secured 17<sup>th</sup> rank in SSC Board Exams. **Psychosexual History:** She did not suffer with any developmental crisis during any stage of her development. (eg. Anal stage to genital stage)

Occupational History: Unemployed,  
 Psychosocial History: Normal / Healthy  
 Marital History: Married – Divorced  
 Premarital Personality:  
 Use of leisure time  
 Predominant mood  
 Attitude to self & others  
 Well – Adjuste  
 Attitude to work & responsibility  
 Religious beliefs & normal  
 attitudeFantasy life

**I. Habit**

Eating pattern  
 Satisfactory  
 Sleeping pattern

**4.0 MENTAL STATUS**

**EXAMINATION:**

During interview she was well kempt, co-operative, gait & posture was normal. Psychomotor activity was within normal range. Eye to eye contact was maintained. Her attention was aroused & sustained for a considerable period of time. She was oriented to time, place & person. Her immediate recent & remote memory was intact. Her voice was audible. Her speech was relevant, coherent & goal directed. Her abstract reasoning was at conceptual level & her judgment was fair. She was checked the level of personal, financial & social judgment. Her personal judgment was not intact. She has developed inferiority



complex & is highly bothered about her future identity. She holds very low self-esteem.

Thought Disturbance - Nil  
(But still has negative attitude towards parents)

Perceptual Disturbance - Nil

Mood & Affect:

Subjective: Says 'I am fine.'

Objective: Relaxed

### 5.0 TEST FINDING:

(i) Eysenck's Series of Digit Span Test (ESDT):

This test was administered to assess the attention & concentration of the patient. The obtained score of digit forward (7) & digit backward (4) indicated attention was aroused & sustained for a considerable period of time.

(ii) 16 Personality Factors:

This test was administered to assess the personality traits of the patient. Her result is valid. Factor - c stem score (2) indicated that the patient is affected by feelings; emotionally less stable, easily upset, changeable & lower ego strength.

Factor - M stem score (3) indicated that she tends to be anxious to do the right things. She is responsible to the outer rather than the inner world.

Factor -Q<sub>2</sub> stem score (3) indicated that she tends to go along within the group & may be lacking in individual resolution.

Factor -Q<sub>3</sub> stem score (3) indicated that she has self-conflict, follow own urges, careless of social rules & low integration.

Summary: - Attention is aroused & sustained

- Suspicious, violent, emotional outbursts

iii) Impression:

The chief complaint past history, current functioning, test finding and observation suggests that patient is suffering from bipolar disorder (moma depression).

## 6.0 MANAGEMENT OF THE CASE AND RESULT:

She was treated on IPD basis with pharmacotherapy & psychotherapy. She was also introduced Electro Convulsive Therapy (Shock Therapy) which helped to minimize psychotic symptoms like hallucinations & delusions.

The Cognitive Behavioral Therapy was introduced to reduce & repair her destruction thought process. The maladaptive behavioral pattern was minimized with the help of behavioral training & individual counseling family members which educated them to learn new coping ways of handling their patient.

Her family is found to be committed & sacrificed everything for their daughter's recovery. Gradually she started recovering & was able to cope up with the realities of life. Her acceptance level increased & her self esteem was raised. It almost took 3 years to bring her mood at stable level (episodic/ fluctuations etc.)

Currently she is married and successfully completed her M.B.B.S. successfully along with M.D. Ophthalmic. Right now she is Eye Specialist leading her life successfully.

Mental illness can be cured with early identification & introducing appropriate treatment modalities, therapeutic interventions & social support from significant people.



## Book Review

Book Title	-	Small Business Management
Author	-	Dr. Manoj Pimple
Publisher	-	Chandralok Prakashan, Kanpur
ISBN	-	978-93-84247-42-3

Small businesses are normally privately owned corporations, partnerships, or sole proprietorships. Small business management is nothing but sales, marketing and advertisement management for a small business. Starting with this simple introduction the author organises his entire book on Small Business Management into thirteen chapters. The first chapter starts with the basics of small business. He discusses the various forms of business models and highlights the best model for a small business. In the second chapter the advantages and ethics in this sector are described.

In any form of business organisation the role of Government is very crucial. In the third chapter the author describes in detail the focus of the various Governments on the Small Scale Sector. He especially highlights the supportive role of the Government in nurturing the spirit of entrepreneurship in the Small Scale sector. As for any business application of management principles becomes equally necessary for profits and long term

progress. For this he devotes an entire chapter. The critical evaluation of the small business policy over the years is also analyzed in the later pages.

The main force that helps to run a small business is the Creativity and Risk acceptance ability of the new entrepreneur. The author focuses on this aspect in Chapter six. With these important issues along with the concept of new business ideas and using the principle of Management by Objectives(MBO) in small units are covered in this chapter. In exhaustive but simple explanation he is able to stress the need of implimenting all possible management principles even in Small Enterprises. In the following chapter he even cites the case studies under the title, "Lessons of experience and New Ideas".

In the intermediate chapters the author explains the necessity and the plan for the next two important areas of management namely, Finance and Marketing. All the concepts such as Marketing strategies, Marketing Plans, Market entry, Business Financial Planning, Credits reports and



others are described in detail in the context of Small Business Enterprises. This portion of the book effectively integrates the management principles usually discussed for the medium and large units to the small enterprises. Recognizing the significance of good human resource management for all enterprises the author effectively explains its application for small units. The small scale of the organization may not always permit it to implement all the Human Resource functions. At that time the decision is to calculate the right time for outsourcing some of the activities. The right time for such decisions in the context of small business firms is described in the penultimate chapter of the book. The book ends exploring the link between the small entrepreneur and business. It brings out the needed for entrepreneurial qualities, the types of small entrepreneurs and entrepreneurship during recession.

The book is an excellent addition to the literature on Small Business Management. Especially when the government in recent times is encouraging entrepreneurship and start-up ventures the book will be a ready reference for all the young entrepreneurs. It is also a useful reference for all existing small enterprises to understand the nature and structure of their units and the management strategies they should adopt for long term profit and growth. The book will also be a very good reference for all those students and institutions which are offering a course on small business management. It can thus be concluded that this comprehensive book on the various dimensions of small business has been published by the author when it was required the most.

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