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The BIITM Business Review provides an academic forum for encouragement, compilation and dissemination of research on various aspects of management and business practices. It includes original empirical research as well as theoretical and conceptual works related to the field of management. It also publishes case studies, critical evaluation of existing business models and theories, and reviews of the latest books relevant to the corporate world.

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The Editor, BIITM Business Review
Biju Patnaik Institute of IT & Management Studies
F/4, Chandaka Industrial Estate, Bhubaneswar-24
E-mail: biitmbsr@yahoo.com

From the Principal's Desk

I am happy to note that “BIITM Business Review” has entered its fourth year of publication with the release of the first issue of Volume 8. It has always provided a platform for young researchers in the faculty of management Institutes to publish their research papers. More importantly, it has made its humble contribution to the advancement of knowledge in the field of management.

It goes without saying that the standard of research contributions published in this journal have progressively improved. I hope, there will be remarkable improvement in the quality and get-up of the forthcoming issues of “BIITM Business Review.”



Dr. P. K. Tripathy
Chief Editor

From the Chief Editor's Desk

It is a great pleasure to announce that the 7th & 8th volumes of our Journal “BIITM Business Review” are going to be published with nine research papers. These papers provide rich inputs as well as research contribution in various domains of management. We extend our heartfelt thanks to the contributors from different institutions.

We are trying our best to improve the quality of the journal and are making continuous efforts in this direction. We hope the journal will meet its goal by providing quality inputs to students and researchers in the domain of business and to the academic fraternity as a whole.

The editorial board would like to extend heartfelt thanks to its Chief Patron, Mr. P. K. Balabantray, Prof. P. R. Pattanayak, Advisor (Academics), and Prof. P.K. Tripathy, Principal for their encouragement and support for the publication of these issues of BIITM Business Review.



Dr. B.K. Bal
Chief Editor

From the Editor's Desk

It gives us immense pleasure in informing you that our journal “BIITM Business Review” has become popular and gain acceptance in a short span of time. We are proud to host articles with the ISSN number as it enhances the recognition and credibility of the articles published in the journal.

The articles in this issue are a selection from the work done by a group of researchers and practitioners on some of the important aspects of management and related fields. It is our continuous effort to bring out the versatility of the concepts in the light of providing knowledge and satisfaction to our readers.

I would like to heartily thank our Chief Patron Mr. P. K. Balabantray, Advisor, Principal, members of the editorial board, the authors and other well-wishers for their cooperation and encouragement in bringing out this issue.



Dr. Saraju Prasad
Editor

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A “360 Degree Feedback” view for Employee Leadership Development

*Uttam kumar Das

ABSTRACT

Leadership development has become a focal area for most organisations today in an attempt to ensure that leaders are able to take them into the future and achieve a competitive advantage. The literature reveals that among others, one of the most popular initiatives in leadership development includes the use of 360-degree feedback. Due to the sensitivity and challenge of giving and receiving 360 degree feedback, it is essential to understand the leadership experience of managers who have recently undergone the process as well as the factors which influence and are influenced by the process. Processes involving 360 degree feedback have gained popularity as a performance management tool as well as a career development tool in contemporary organizations. In this paper the aim is to study the nature of 360 degrees feedback, investigate the factors that have influenced its emergence and contrast it with the more traditional performance management processes used by organizations. An attempt is made to specifically identify the benefits and the problems associated with 360 degrees feedback in the context of management of performance and employee career development. This study also tests the compound correlation between employee leadership development and the application of 360-degree feedback in an organization. This research is done through a sample of 50 employees chosen by experienced executives occupying various positions in IT organizations in Bhubaneswar. The results show that there were 20 common feedbacks in 360 degree feedback of organizations in Bhubaneswar. The data indicated that most of the feedbacks significant. The outcomes of the study include a definition of “leadership development” as well as a substantive theory on the employee leadership experience of 360-degree feedback as a tool in leadership development. The study has been conducted on a group of employees to improve leadership development of 360 degree feedback. The results of this analysis demonstrate that the implementation of 360-degree feedback in an organization not only gives rise to employee’s leadership development, but also helps in sustaining organizational development.

Keywords: 360 degree feedback, personal development, leadership development, organization development

* P.G. Department of Business Administration Utkal University, Bhubaneswar, Odisha, India
Email – uttamdas1987@gmail.com

Introduction

The primary study found that every Senior academicians are having full learning about the performance appraisal system. The traditional performance appraisal is not helpful to the employees in the educational institutions thus Senior academicians are agreed to appraise Superiors, Peers, and Subordinates. They have agreed with 360-degree feedback is a good modern assessment system and it is an essential techniques for educational institutions. The 360 degree feedback gives a clear picture of the employees and also helps to know strength and weakness, which is useful for people growth and development of employees (Das and Panda, 2015). This study came about because of a desire to find out more about the place of 360-degree feedback on leadership and management development. The work is set in the higher education leadership environment, and is timely in a period of faster developmental attrition in the global tertiary leadership sector currently, putting pressure on succession leadership planning and development. The study investigated that the 360 degree feedback appraisal system that measures an employee's performance through several sources such as peers, subordinates, and supervisors creates a wide and unbiased review of employee performance (Tyler, 1987). This longitudinal study investigates 360 degree feedback are projected by the favorability of ratings received, and moderated by important individuals' self-efficacy and perceived significance of feedback. Five developmental criteria are investigated longitudinally: (i) self-assessments, (ii) lines employees' ratings, (iii) amount of developmental activity, (iv) global self-efficacy and (iv) elf-efficacy for development Caroline et al., (2006). (Lepsinger and Lucia, 1997) indicate that the 360 degree feedback process involves collecting views about a Person's behavior and the influence of that behavior from a number of rating sources. Thus, a 360 degree feedback program tries to transfer feedback to the receiver in regards to his/her behavior in the workplace environment and how it influences other individuals that activity with that employee. (Bookman, 1999) which states that 360-degree feedback has been used in business and industry as a self-development tool. The term "360-degree feedback" refers to collecting and processing, multi-rater assessments of an individual and then feeding that person back the results. The process includes tuning into the observations and perceptions of those around the individual who are in a position to observe behavior and skills. The critical aspect of 360-degree feedback is to identify gaps between perception and desired performance (Wilson, 1997). Good, reliable and well-expressed feedback is critical to self-improvement inside the workplace environment.. To recognize how others perceive us and experience our behavior is a key to self-awareness and development. (Gallagher , 2008) submits that this multi-source feedback also allows

people to see how others look at their effectiveness and become more conscious of how their effectiveness as an individual, co-worker, or employee is respected by others.

The 360 degree performance appraisal

Performance appraisal systems have several plans, and they aid organizations in setting performance goals, setting clear scenarios, and supporting employees' self esteem Palaiologos et al., (2011). Research often criticizes traditional appraisal systems for being 'unfair' and for creating tensions between employees and employers in the organization (Rowland & Hall, 2012). Modern appraisal systems comprise team assessment, upward feedback, peer assessment, self-review assessment, and direct supervisor feedback. 360-degree feedback is a process through which many sources- subordinates, peers, direct supervisors, customers, and even the individual under assessment provide their feedback on an individual's job performance in an attempt to obtain a balanced and rounded view of the performance (Mondy, 2010). 360-degree appraisal minimizes bias and represents an assessment technique that best conveys an employee's performance by allowing individuals nearby to the employee to represent an exact picture of his/her efforts and job execution; in addition, 360-degree feedback generates positive outcomes in conditions of employee behavior Palaiologos et al., (2011).

Leadership Development

The 360 feedback is a useful tool which helps employees be more efficient in their current roles besides to help them know what areas they have to concentrate for improvement. The feedback from all sides from employees, seniors, peers, subordinates, providers, customers for an individual, that person will likewise rate himself and afterward coordinate the execution from others evaluations. The outcomes indicated that in that location has been an overall positive effect reported of 360 Degree feedback on management skills and leadership development (Das and Panda, December 2016). Applying a 360 degree feedback system has been just that a system. As such, it must function within the limits of the organization, and its design must include a systems-view methodology to take into account its impact and consequences on the rest of the organization (Jones and Bearly, 1996). Most successful 360 degrees feedback systems are performed on a regular basis, not as a one-time occurrence, and this must be taken into consideration in terms of its financial, cultural, and process effects on the organization (Yukl and Lepsinger, 1995). The effects of the procedure must be measured on an organizational layer, and changes made when necessary. If used properly, the process should have lasting effects on the organization, including increased communication, encouragement of a feedback-rich environment, increased employee creativity toward

development, and increased employee participation (Gebelein et al., (1998)). 360-degree feedback has been used in business and industry as a self-development tool. The term “360-degree feedback” refers to gathering and processing multi-rater assessments of an individual and then feeding that person back the results (Bookman, 1999). The process includes a self-assessment and peer appraisals. The data are compiled and analyzed by a trained professional. The individual receives the feedback and then creates a plan for personal and professional development. 360-degree feedback is primarily used for developmental purposes, yet organizations do use it for evaluation and performance appraisals.

Material and Methods

The research instrument to measure the constructs of interest was developed either by adapting existing measures in the research context or by converting the definitions of the construct into a questionnaire format. All variables were measured on a 5 - point Likert scale (1=strongly disagree; 5=strongly agree). The feedbacks that have been proposed from HR employees through the questionnaire basis: F1: Gives constructive feedback to others; F2: Generates new ideas to make things better; F3: Shares information and ideas with others; F4: Measurement of performance against objectives; F5: Helps others to develop and apply their skills and knowledge; F6: Involves others and encourages full participation ; F7: Views one's own leadership development as significant; F8: Asks for feedback from others to improve his/her performance ; F9: Effectively communicates thoughts and ideas; F10: Supports needed changes ; F11: Willingness to change behavior; F12: Gaps are understood by employees; F13: Greater accuracy is achieved through 360 feedbacks; F14: Exactly identify one's own development needs; F15: Generates a positive learning environment for employees; F16: Treats all people with respect; F17: Uses opportunities to develop and apply new skills and knowledge; F18: Encourages others to try new ideas; F19: Encourages others to share their opinions; F20: Exactly pinpoints what people are good at and where they have the potential to develop.

Empirical Strategy

A sample was chosen to examine the leadership development of employees through 360 degree feedback system at IT companies in Bhubaneswar. We have developed, validated, and tested a tool for estimating development-affecting feedbacks in 360 degree feedback appraisal system. A structured questionnaire was used for data collection that asked respondents and questions aimed to help us in developing the very important leadership development feedback from the 360 degree feedback system. Twenty feedbacks were

presented to respondents in this questionnaire, the method of the data was gathered through a survey questionnaire. This involved survey questionnaires to employees in the field of human resource who have experience in this area which included 50 valid respondents working for many software companies in Bhubaneswar, and the design questionnaire was used for collecting data.

Statistical method

The analysis of the questionnaire responses was conducted using mean, standard deviation, percent, and one way ANOVA. In order to find the reliability of the questionnaire a Chronbach Alpha is calculated and the values lie above the lower limit of 0.6.

Table 1: Factor Matrix, Cronbach's alpha by variable blocks with component-analysis

Paradigms	Variables	Factor 1	Cronbach's α
360 degree feedback	F1	.717	0.969
	F2	.701	
	F3	.800	
	F4	.854	
	F5	.863	
	F6	.920	
	F7	.697	
	F8	.916	
	F9	.900	
	F10	.854	
	F11	.763	
	F12	.854	
	F13	.912	
	F14	.906	
	F15	.777	
	F16	.873	
	F17	.904	
	F18	.877	
	F19	.818	
	F20	.845	

Results and Discussion

Distribution Sample

The twenty questionnaires were submitted to respondents and all 20 were returned with responses. These 20 questionnaires were analysed using one way ANOVA, frequency scales, and percentage. The results of the analysis are shown in Table 1.

Table 2: Distribution Sample According To Experience of Manager

Experience	Frequency	Percept
0-5years	15	30
6-10years	20	40
More than 10years	15	30
Total	50	100

The percentage of the 6-10years experience is greater than the percentage of 0-5years and more than 10years. The percentage of the 0-5years experience is 25, whereas the percentage of the 6-10years experience is 50. The percentage of more than 10years experience is 25.

Feedback ranking on leadership development

The mean of all feedbacks is shown in table 2. All respondents indicated that the 360 degree feedback is affecting leadership development feedbacks. F7, F14, F20, F17, F15, F18, F4, F19, F2, F5 were identified as very important in descending order of means. The ranking on the basis of the importance of the listed feedbacks are F7, F14, F20, F17, F15, F18, F4, F19, F2, F5, F1, F3, F6, F8, F9, F10, F11, F12, F13, F16.

Table 3:

SL NO.	Feedback	N	Mean	Standard deviation
1	F7	50	4.05	1.27600
2	F14	50	4	1.28349
3	F20	50	3.975	1.18992
4	F17	50	3.925	1.17178
5	F15	50	3.875	.91272
6	F18	50	3.75	1.32865
7	F4	50	3.70	1.11922
8	F19	50	3.69	1.29363
9	F2	50	3.65	1.11922
10	F5	50	3.62	1.23305
11	F1	50	3.60	1.18855
12	F3	50	3.55	1.38225
13	F6	50	3.50	1.08214
14	F8	50	3.49	1.20695
15	F9	50	3.47	1.23305
16	F10	50	3.44	1.26636
17	F11	50	3.42	1.06904
18	F12	50	3.39	1.18235
19	F13	50	3.35	1.16496
20	F16	50	3.25	1.27151

Measure Significant Differences : Are there any significant differences in the judgement of feedbacks among experienced group of experienced of employees?

Table 4: Means and Standard Deviations among three Experienced employees

Total	N	Mean	Std. deviation
2-5 years experience	15	3.54	1.287838
6-10 years experience	20	4.09	0.989651
More than 10 years experience	15	3.67	0.088254
Total	50	11.3	2.365743

Table 5: One Way ANOVA
ANOVA

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.998	2	1.499	1.739	.187
Within Groups	40.506	47	.862		
Total	43.504	49			

This table shows the calculated value is 1.739 and the table value at 0.05 significance level is 3.26. Since the calculated value is less than the table value, there are no significant differences between the manager's judgement of different experienced group of employees. Hence the judgement of the employees under different experience group is uniform.

Conclusion

The concern of this study was to estimate the feedbacks which impacts on leadership development through 360 degree feedback. The results indicated that there were 20 common 360 degree feedbacks. The 360 degree feedbacks are very important for employees' leadership development. The feedbacks F7, F14, F20, F17, F15, F18, F4, F19, F2 and F5 were identified as very important and the feedbacks from 360 degree F1, F3, F6, F8, F9, F10, F11, F12, F13, F16 in descending means were identified as important which influence the employee's leadership development. The overall ranking of importance is done for each feedback aspect of the three categories of experienced employees (2-5, 6-10, and more than 10). Based on these results, the companies must improve the leadership development of an employee through 360 degree feedback. The result shows there are no significant differences in the leadership development due to the experience of employees.

and this research demonstrates the positive effect of implementing a 360-degree feedback for employee leadership development. Furthermore, firms should employ the 360-degree appraisal system to encourage a healthy work environment. In the future, the researchers should be concerned with new techniques to improve employee leadership development.

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Impact of E-Governance in India: A Theoretical Study

* Sudhansu Sekhar Nanda

** Dr. Saroj Kumar Sahoo

ABSTRACT

Government makes best possible efforts to communicate and provide information to common man and business people. Today's government has given a push to E-Governance, and widespread network of E-Governance across the world proves its importance. E-Governance is the online delivery of local/national governmental information, services to the citizens, businesses and other governmental agencies. E-Governance is the technology which provides online availability of government services. It helps managers and higher authorities to perform their tasks effectively and efficiently. In this paper, important models of E-Governance have been discussed. Different areas of E-Governance are explained like urban areas, rural areas and health areas. We have also critically analyzed the impact of e-governance on different services provided in different areas by the government.

Keywords: E-Government, E-Governance, G2B, G2G, Pillars, G2C.

Introduction

The 21st century is the world of Information Technology. It has brought revolutionary changes in the working of whole world. The latest impact of technology has been observed on government sectors where government offices and services are governed through information technology. The adoption of new technology in government sector emerges new phenomenon called e-governance. The e-governance is referred to as services provided by government to the citizens, business and local government through information technology. The rise and popularity of e-governance has proved that E-Governance makes working of government more efficient, responsive and transparent. Many developed countries like UK, USA, and Brazil etc. have adopted e-governance, and India is one of them. E-Governance is a web based service for local, state and national governments. Government uses these web based services by internet to serve their citizens online. Government give many online services like payment of bills, taxes etc. and citizens use the services according to their need, comfort and time. Indian government also recognized the importance of technology and established

* Research Scholar, Sambalpur University, Mail: nandasudhansusekhar.87@gmail.com,
Contact: 9439299659

** Assistant Professor, Sambalpur University, Mail: sahoosaroj78@gmail.com,
Contact: 9437111277

the Department of Electronics in 1970. India took first step towards the e-governance with the establishment of the National Informatics Centre (NIC) in 1977. India launched NICNET (National Satellite – Based Computer Network) in 1987 with the aim of computerize all the district offices of the country. E-Governance provides many services to the citizens and government also. The following are the factors which influence the acceptance of e-governance:

Quality services and information for citizens: E-Governance provides reliable and useful information in time. In the earlier stage, information was available in the aspects of forms, rules, procedures etc. but in e-governance, information is available on internet which saves time, effort and money.

Accountability of the government: Accountability of government increases with the popularity of e-governance. Citizens are more aware about their rights, facilities and expenditures of government on schemes. Government becomes answerable to the citizens for their performances and future plans which increases productivity and efficiency of working of government.

Expanded approach and reach of governance: E-Governance makes strong bonding and connection between government and citizens. It minimizes the gap, increases interaction and trust ability among citizens and government. With the advancement of telephone network and expansion of internet facilitates the delivery of large number of services to the citizens.

E-Governance : The governance is a framework which is developed with a combination of man and machine. The implementation of any e-governance services requires advance technology infrastructure as web based applications require dedicated server and user-friendly web interface. The following are generalized pillars considered for any e-governance application.

Different Services through E-Governance

E-Governance is designed to provide services to different sectors or areas and its role is multi-dimensional. The e-governance may provide services in different dimensions which are analyzed and discussed below.

A. Government to Citizen (G2C) Initiatives:

Computerization of Land Records: In collaboration with NIC. Ensuring that landowners get computerized copies of ownership, crop and tenancy and updated copies of Records of Rights (RoRs) on demand.

Bhoomi Project: Online delivery of Land Records. Self-sustainable e-Governance project for the computerized delivery of 20 million rural land records to 6.7 million farmers through 177 Government-owned kiosks in the State of Karnataka.

Gyandoot: It is an Intranet-based Government to Citizen (G2C) service delivery initiative. It was initiated in the Dhar district of Madhya Pradesh in January 2000 with the twin objective of providing relevant information to the rural population and acting as an interface between the district administration and the people.

Lokvani Project in Uttar Pradesh: Lokvani is a public-private partnership project at Sitapur District in Uttar Pradesh which was initiated in November, 2004. Its objective is to provide a single window, self-sustainable e-Governance solution with regard to handling of grievances, land record maintenance and providing a mixture of essential services.

Project FRIENDS in Kerala: FRIENDS (Fast, Reliable, Instant, Efficient Network for the Disbursement of Services) is a Single Window Facility providing citizens the means to pay taxes and other financial dues to the State Government. The services are provided through FRIENDS Janasevana Kendrams located in the district headquarters.

e-Mitra Project in Rajasthan: e-Mitra is an integrated project to facilitate the urban and the rural masses with maximum possible services related to different state government departments through Lokmitra-Janmitra Centers/Kiosks.

e-Seva (Andhra Pradesh): This project is designed to provide 'Government to Citizen' and 'e-Business to Citizen' services. The highlight of the eSeva project is that all the services are delivered online to consumers/citizens by connecting them to the respective government departments and providing online information at the point of service delivery.

Admission to Professional Colleges – Common Entrance Test (CET):

With the rapid growth in the demand as well as supply of professional education, the process of admission to these institutions became a major challenge in the early 1990s. Recourse was then taken to ICT to make the process of admission transparent and objective. One of the pioneering efforts was made by Karnataka. The State Government decided to conduct a common entrance test based on which admission to different colleges and disciplines was made.

Government to Business (G2B) Initiatives:

E-Procurement Project in Andhra Pradesh and Gujarat: To reduce the time and cost of doing business for both vendors and government.

MCA 21: By the Ministry of Corporate Affairs. The project aims at providing easy and secure online access to all registry related services provided by the Union Ministry of Corporate Affairs to corporates and other stakeholders at any time and in a manner that best suits them.

Government to Government (G2G) Initiatives

Khajane Project in Karnataka: It is a comprehensive online treasury computerization project of the Government of Karnataka. The project has resulted in the computerization of

the entire treasury related activities of the State Government and the system has the ability to track every activity right from the approval of the State Budget to the point of rendering accounts to the government.

SmartGov (Andhra Pradesh): SmartGov has been developed to streamline operations, enhance efficiency through workflow automation and knowledge management for implementation in the Andhra Pradesh Secretariat.

National E-governance Plan

The National e-Governance Plan (NeGP) has been formulated by the Department of Electronics and Information Technology (DEITY) and Department of Administrative Reforms and Public Grievances (DARPG) in 2006. The NeGP aims at improving delivery of Government services to citizens and businesses with the following vision:

“Make all Government services accessible to the common man in his locality, through common service delivery outlets and ensure efficiency, transparency and reliability of such services at affordable costs to realise the basic needs of the common man.”

Impact of E-Governance on Different Service Sectors

Today the government has implemented e-governance in every field. E-governance shows its importance in every field like urban area, rural area, teaching area and politics etc. Every department/sector is dependent on e-governance. E-Governance shows very strong impact in rural areas. The following are some areas which are influenced by the e-governance:

Urban Area

Transportation: There are many services which are provided by e-governance in the transportation sector such as provision of booking facility of interstate transport, plans for regional transportation, time table of buses and transportation improvement program etc. The following are the projects under e-governance in transportation such as: OSRTC- The Orissa State Road Transport Corporation project was started to provide online facilities in the transportation department. HRTC- The Himachal Road Transport Corporation project provides many facilities like online booking, availability and cancellation of seats and buses etc.

Online payment of bills and taxes: E-Governance also provides online transactions, payment of bills, EMIs and taxes etc. The project under e-governance in online payment is FRIENDS which is started by Kerala Government to make online payments of fees, water and electricity bills etc.

Municipal services: The services provided by municipal sector are house taxes, issue the death certificates, maintain records of property and approval for site plans etc. The following

are the projects under municipal services are: SDO Suite: This project was started by Assam Government. It provides many facilities by issuing certificates like permission for land sale, birth and death report etc. Rural Digital Services: It gives many social security services such as old age pension, widow and freedom fighter pension.

Roads and traffic management: The services provided by road and traffic management are construction and maintenance of roads, traffic management and pollution control schemes. The project under e-governance in road and traffic management is CFST (Citizen Friendly Services of Transport) which is started by Andhra Pradesh Government. It checks the pollution control level, road safety and safety of people.

Rural Area

Agriculture: The farmers rely on the information provided by the government through e-governance. Governments are working on many projects used in agriculture like AGMARKET which is approved by Department of Marketing and Inspection (DMI), Ministry of Agriculture and Government of India.

Local information: Government provide many local information such as prices of seeds, loan rates etc. The project under e-governance in local information is E-JanSampark which is started by Chandigarh Government to help people in access the local information in their locality to fulfill their needs.

Land record management: With the help of e-governance tools huge number of land records can be maintained in a short time. The following are the projects under land record management are: Bhoomi: It was started by Karnataka Government and known as first E-Governance land records management projects. Land Records Management System State Government of Punjab.

Panchayat: Panchayat provides many services such as issuing the birth and death certificates, various schemes for poor people and water supply and sanitation etc.

Health

E-Governance provides many services in health sector also. With the help of E-Governance, people can check availability of medicines, health camps and other facilities online. The following are the projects under health care : Hospital OPD Appointment: It is the system of welfare measure started by the Chandigarh Government to make life of citizens simpler and comfortable. HEALING: This project is started by the Kerala Government for Medical Health and Family Welfare Department.

Education

E-Governance in education sector is helpful in providing basic education and education facilities to the children. It aims to provide computer education to children and online results for various classes. The following are the projects under education field are: Online Scholarship Management System: Its purpose is the distribution of scholarships and fees among brilliant and needy students. AISES (All India School Education Survey): The aim of this project is to surveying the number of schools in district which helps in Census. This project was started by Assam Government.

Conclusion

E-Governance in India has reached a transitional state where almost every sector of Government is empowered through E-Governance. The people of India are enlarging extent availing these services. The most popular services like e-transport, e-education, e-police, e-court and e-tax etc. The influence of E-Governance has been observed in rural India where services like Rashtriya Krishi Vikas Yojana, Kisan Call Centre etc. are more popular. The current study concluded that however E-Governance becomes very popular in these days but still it faces so many hurdles in its working. Funding is the basic issue in e-governance. The projects are not properly funded and governments are not taking prompt initiatives for the success of these projects. Governments, citizens, government employees and businessmen are not friendly with these online services because they do not have sufficient knowledge of these IT-based technologies. Privacy is another important issue. Citizens have to give a lot of personal information while using online transactions, which results in privacy issues. The availability of internet services is very limited in our country, as a result of which services are not properly delivered to the citizens. There should be some language software which translates the English language into other local languages so that citizens can understand and avail the services in their respective local languages.

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Antecedents and Consequences of Customer Satisfaction in Online Retail Banking

* Dr. Tapas Ranjan Moharana

** Mahesh Patnaik

ABSTRACT

The purpose of this paper is to develop a model on the effect of online service quality, online information quality, online product quality and customer satisfaction on customer loyalty. Three quality dimensions identified (Service quality, Information quality and product quality) were seen to be positively influencing customer satisfaction. It is also found that customer satisfaction has a positive impact on loyalty. This study highlights the importance of online service quality, online information quality, online product quality in satisfying customers which are in turn responsible for customer loyalty. Bank managers can focus on these factors to enhance business through customer loyalty.

Keywords: online service quality, online information quality, online product quality, customer satisfaction, customer loyalty, retail banking

Introduction

India's economic and industrial scenario underwent a dramatic shift after the dismantling of the much discredited license/permit/quota raj and adoption of economic liberalization in 1991. After the deregulation and liberalization in 1991, the forces of competition have become fairly dominant in the Indian banking system. The customer has been the ultimate beneficiary of the inexorable progression of larger markets with more competition. At the same time, banks are finding it increasingly difficult to stop their lucrative customers from defecting. Banks, considered to be the backbone of every economy, are no exception to the delicate task of anticipating and fulfilling the needs of their customers. It is worthwhile to mention the role of retail banking in emerging economies due to the rapid advances in information technology, entry of new generation private sector banks, and financial market reforms.

The competition between the new private and public sector banks has resulted in a greater need for service providers to identify the drivers of customer satisfaction. The new

* Assistant Professor (Marketing), School of Management Studies, Ravenshaw University, Cuttack, Odisha, India, Mobile: 9439724303, email: prof.tapas@gmail.com

** Research Scholar, School of Management Studies, Ravenshaw University, Cuttack, Odisha, India, Mobile: 7008219181, email: maheshpatnaik@rediffmail.com

generation private sector banks have been able to create a niche in the retail banking due to technology and innovation. Thus, the survival of banks depends on customer satisfaction. Attracting a new customer is usually more costly than to retain a current customer. Thus, customer retention is more vital than customer attraction. Retention of customers requires their satisfaction and the delivery of services in the way they want. There are several studies conducted worldwide to assess the level of customer satisfaction.

Fram and McCarthy (2011) provided an insight into the action required by trust officers to improve customer satisfaction during a time of difficult economic and regulatory conditions in the USA. Padmavathy et al. (2012) have developed a multi-item scale for measuring the customer relationship management effectiveness in Indian retail banks and examined its relationship with customer satisfaction, customer loyalty and cross buying. Shainesh (2012) studied the underlying mechanisms by which consumers develop trust in service providers and investigated the impact of consumer's perceptions of trustworthiness and trust on their loyalty intentions for Indian retail banking. It also studies the differential impact of consumers' trustworthiness beliefs on two distinct aspects of a service, namely the front line employees and management policies and practices.

The marketing literature is replete with studies which have examined the relationship of service quality with customer satisfaction. Even in the banking sector, research has examined the impact of service quality on customer satisfaction and loyalty (Ndubisi and Wah, 2005; Lenka et al., 2009; Bedi, 2010; Ganguli and Roy, 2011; Kaura and Datta, 2012). In the recent studies, researchers have studied the impact of service convenience on customer satisfaction (Seiders et al., 2007; Colwell et al., 2008; Aagja et al., 2011). But, hardly any research is conducted on Indian banking sector which has studied the impact of service convenience on customer satisfaction.

According to Dutta and Dutta (2009), for Indian banking services evaluation, there is not much differentiation in the price (due to regulations by RBI). Therefore, the main differentiator for banking service evaluation would be the other dimensions such as systematization of services, servicescape and social responsibility. Now due to deregulation, there is differentiation in prices; moreover price fairness is playing a lead role in differentiating the services of the service provider. But, hardly any research has been conducted on the Indian banking sector which has studied the impact of price on customer satisfaction.

So, there is need to consider service quality, service convenience and perceived price and fairness as drivers of customer satisfaction in Indian retail banking sector. According to Colwell et al. (2008), continuum of convenience needs to be investigated further and

research on convenience should investigate other contexts outside the cellular and internet services. Most of the studies have used SERVQUAL model dimensions. But except tangibility all are related to the human factor (Sureshchandar et al., 2001; Lenka et al., 2009). The effect of information technology on customer satisfaction needs empirical investigation. This study makes an attempt to address all these gaps.

Literature Review and Proposition Development

Online Service Quality and Customer Satisfaction

Service quality has received substantial attention in service literature. Because of its vital importance, it has provoked considerable interest and debate in the research literature. Dimensions of service quality as identified by Gronroos (1984) are functional, technical and corporate images. Parasuraman et al. (1988) focus on five dimensions of service quality, i.e., reliability, responsiveness, assurance, empathy and tangibility. In banking services, Suresh Chandar et al. (2001), Lenka et al. (2009), Dutta and Dutta (2009), Bedi (2010) and Kaura and Datta (2012) have used different dimensions of service quality in the Indian context. Sureshchandar et al. (2001) have proposed five dimensions of service quality: core service, human element, non-human element, tangibles and social responsibility. Lenka et al. (2009) used human aspect, technical aspect and tangible aspect of service quality. Dutta and Dutta (2009) used SERVQUAL dimensions. Bedi (2010) used reliability, responsiveness, assurance, empathy, tangibility, product availability and product convenience. Reliability, responsiveness, assurance and empathy are part of human aspect of service quality. Moreover, human behaviour plays a key role in delivering services. Information technology is not considered as a dimension of service quality in the traditional SERVQUAL model. Kaura and Datta (2012) used people, process and physical evidence as dimensions of service quality. Therefore, this study proposes human behaviour, information technology and tangibility as dimensions of service quality.

Researchers have found that improved service quality increases customer satisfaction in the Indian banking sector (Lenka et al., 2009; Bedi, 2010, Kaura and Datta, 2012). Brown et al. (1996) and Lemmink and Mattsson (1998) found that positive employee behavior increased customer service encounter satisfaction. A study conducted by Kaura and Datta (2012) found that people factor has a positive impact on customer satisfaction in the Indian banking sector. A study conducted by Lenka et al. (2009), Kaura and Datta (2012) found that better tangible aspects of service quality of the bank branches enhance customers' satisfaction. Technology enabled services provide constant, reliable and quality service and improved technical aspects of service quality increase customer satisfaction (Lenka et al., 2009; Kaura and Datta, 2012). Thus, this research argues that service quality dimensions

(employee behaviour, tangibility and information technology) have a positive influence on customer satisfaction. Thus, the following proposition is conceived.

Proposition 1: Customers' perception of better online service quality will result in greater customer satisfaction.

Online Information Quality and Customer Satisfaction

Online information system quality is vital to internet banking users' perceptions of overall internet banking service quality because it is a key enabler of the services they wish to use (Jun and Cai, 2001). If the information system does not perform well, customers are not able to reliably make transactions or access information, compromising their perceptions of service quality (Yang et al., 2004). If the web site is not informative, or the design of the web site is not user friendly, this will have a negative impact on customers' perceptions of overall internet banking service quality. The more conveniently customers can interact with the bank through the web site, the safer their online transactions And the more error-free the transactions, the better customers' perceptions with the service quality provided online by the bank. Thus, our second proposition is:

Proposition 2: Customers' perception of better online information quality will result in greater customer satisfaction.

Online Product Quality and Customer Satisfaction

Studies have shown that banking service product quality is an important factor that influences customers' perceptions of overall banking service quality (Jayawardhena and Foley, 2000). Strieter et al. (1999) notes that one of the most important developments is happening in banking industry is the increased emphasis on marketing of a wide array of financial services. Mols (2000) argues that the characteristics and features of the products offered to the customers can attract more new customers. Cho and Park (2001) argues that variety of products influences internet shopper satisfaction. Thus, a wide product range and diverse features are important in influencing customers' perceptions of internet banking service quality (Jun and Cai, 2001; Yang et al., 2004). Online customers prefer firms that offer a variety of services and diverse features. Hence, the following proposition is posited.

Proposition 3: Customers' perception of better online product quality will result in greater customer satisfaction

Customer Satisfaction and Customer Loyalty

Customer satisfaction is generally considered among the most significant long-term goals of firms (Cooil et al., 2007). The marketing concept suggests that a satisfied buyer will be more likely to repurchase or at least consider repurchasing than those who are dissatisfied

(Keith, 1960). According to Reichheld and Sasser (1990), repeat customers cost less to serve than new buyers, benefiting a firm's cost structure. Additionally, maximizing customer retention rates and minimizing customer defections are primary strategic objectives for most firms, as evidenced by the recent emphasis on customer relationship management (Ching et al., 2004). Customer satisfaction is so vital to an organization that it is relevant to investigate the drivers of customer satisfaction. The arguments lead to the following proposition.

Proposition 4: Increased customer satisfaction would lead to stronger customer loyalty

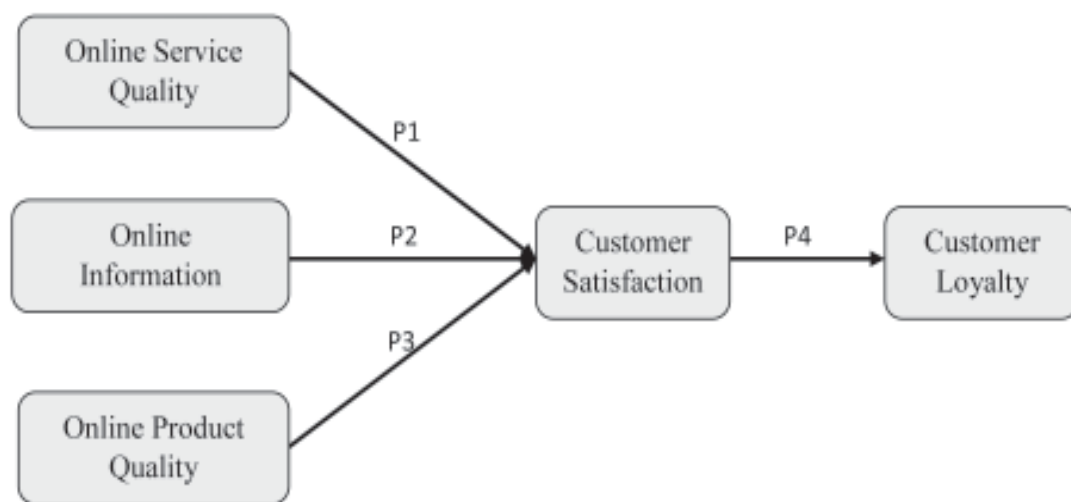


Figure 1: A conceptual model of Quality-Satisfaction-Loyalty

Discussion

Based on the work of Jun and Cai (2001), Han and Baek (2004) and Yang et al. (2004), this research presents a model to explain how three dimensions of internet banking service quality influence perceptions of customers' satisfaction. The relationship between online customer service quality and customers' satisfaction indicates that the quality of customer service is important for banks in the context of internet banking. Even in the absence of face-to-face interactions, reliability, responsiveness, and empathy are still important to customers. These dimensions would directly affect customer perceptions customer satisfaction with the bank.

Online information system quality is also positively related to customer satisfaction. A high-performance information system enables customers to conduct banking transactions on

their own through the computer system. Without direct interaction with bank staff, ease of use, accuracy, security, timeliness, contents and aesthetics are critical to enhancing customer perception of overall internet banking service quality. The strong positive association between online information system quality and customer satisfaction suggests that when online information system quality is perceived to be high, customers are more likely to be satisfied with their online service and consequently will be more loyal with their bank.

Overall, the contribution that this research makes is in examining five relevant and important constructs in one model. Specifically, we empirically examine the relationship between three service quality dimensions, customer satisfaction and customer loyalty in Indian retail banking context. The exploration of those service quality dimensions that lead to customer satisfaction and its effect on customer loyalty is a novel contribution to the literature.

Customers are satisfied with the services when they can complete their service purchase quickly and with less effort. In general, results support the proposed model that customer satisfaction has a mediating effect in the relationship between three of the so-called online determinants of service quality and customer loyalty. In this context, customer satisfaction is considered as an antecedent of loyalty, in line with studies by Kim et al. (2009) and Anderson and Srinivasan (2003). Findings provide both theoretical and managerial insights. Indeed, this study strengthens the idea that the relationship between companies and their customers should be treated, both by academics and managers, as a process of mutual value development and a new strategic marketing orientation. What is more, technology should not be seen as just another element to take into account in business development, but should increasingly be considered as a major factor in companies' strategic orientation, in particular towards their customers.

Theoretical Implications

It has been argued that internet banking helps banks to build and maintain close relationship with their customers and reduces operating and fixed costs (Mols, 2000), with daily and frequent internet banking users emphasising "ease of use" and "aesthetics" for electronic fund transfer and foreign exchange transactions (Kam and Riquelme, 2007). Recent research demonstrates that as customers become more acclimatised to internet banking, they use these services more often, and we are beginning to see attempts to investigate internet banking service quality and customer satisfaction in a global context.

The explorations in this study have a number of implications for managers. Online customer service quality positively influences customers' perceptions of overall internet banking service quality offered by the bank. Consequently, bank management should place emphasis

on offering reliable, responsible, tangible and empathic customer service. Moreover, online information system quality is a predictor of overall internet banking service quality. This suggests that management should ensure that the internet banking environment; especially the web site as interface between the bank and its customers, has the navigational and visual characteristics, as well as practical considerations necessary for security and ease of use. Furthermore, overall internet banking service quality is strongly related to overall customer satisfaction with the bank. This suggests the relevance of delivering high quality service online to maintain and/or increase customers' satisfaction with the bank.

The basic aim of this study is the development of a model that helps increasing scientific knowledge in the marketing area, while being applicable in the world of business management. Since the study intends to contribute to the development of theoretical knowledge, an attempt has been made in order to systematize relationship marketing determinants, as well as their relation with loyalty – through satisfaction – in an online context. This study intends to explain the antecedents of loyalty incorporating factors that take the retail banking characteristics in the account. The main theoretical contributions of this research is testing the role of the customer's personal and psychological characteristics when interacting with a bank in an online context, simultaneously involving website characteristics and their joint impact on customer loyalty.

The link between customer satisfaction and company success has historically been a matter of faith, and numerous satisfaction studies have also supported the case. Customer satisfaction has always been considered an essential business goal because it was assumed that satisfied customers would buy more. This study has an important role to better understand the role of satisfaction on different relations among the online context. Hence, a serious contribution of this study is the development of a deeper understanding regarding online consumer behaviour and the purchase decision process in the digital context, bearing in mind the importance of customer satisfaction on the purchase of online tourism products and, more, on customer loyalty

Our research did not examine the relationship between customer satisfaction and customer retention. Future research could look at the relationships among overall internet banking service quality, customer satisfaction and customer retention. These research findings would provide insights for banking service providers to keep their existing customer base and increase their profitability. Future research needs to examine the dimensions and outcomes of internet banking service quality empirically with a sample of banks, perhaps in different countries or even try to test the hypotheses in multiple service contexts, i.e. services delivered

through internet channels (e.g. travel and insurance agents) in order to extend the model's generalisability. The study did not compare customer perceptions of internet banking service quality between internet-only banks versus bricks-and-mortar banks. Customers may have different expectations and perceptions of internet banking service quality from internet-only banks versus bricks-and-mortar banks.

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Effect of Digitalization on Business Network: A Conceptual Approach

* Dr. Ratidev Samal

ABSTRACT

This study analyses the effects of digitalization on business networks. The digital technologies can tighten business relationships within a net by creating informational and technical bonds. Tightly structured nets are created as a result of this development. On the other hand, these technologies create entry barriers to third parties outside the net. In other words, we argue that the digitalization tightens relationships between certain actors within a net and at the same time weakens outside relationships.

Introduction

In recent decades we have witnessed a steady growth of companies using different kinds of digital technologies including software applications and tool kits to manage business operations and relationships. The main reason for this development is digitalization which has created arena for productivity improvements in many managerial areas. Nowadays, the firms can manage their complicated set of business processes through partly or wholly digitalized tools. The internal processes are overlapping many times with business processes of companies in the same net.

Although IT technologies and solutions are very common in many companies, the existing literature with exceptions (Leek et al. 2003; Rao et al. 2003) does not focus on the understanding and conceptualization of digital effects on the structures of business nets and networks. Basically, this study attempts to answer the following question:

Conceptualizing nets and networks

Business networks (Axelsson & Easton 1992; Håkansson & Snehota 1995), nets (Jarillo 1993; Parolini 1999), value-chains (Porter 1985) as well as supply chains (Christopher 1998) are creations of our imagination. These labels like network act as a metaphor which describes the interconnectedness of actors (Axelsson & Easton 1992, p. xiv). Generally speaking, there is no real concrete network or relationships but these concepts help us to understand the relationship among other bonds (Hammarkvist et al. 1982) and linkages (Håkansson & Snehota 1995) between different corporations.

The nature of business networks is extensively discussed in the works of Håkansson and

* Asst. Prof. (Dept. of Professional Courses G.M University, Sambalpur)

Snehota (1995) and Wilkinson (2001). The review study of Araujo and Easton (1996) found ten different schools or traditions that are pondering on the nature and role of business networks. The business network can be considered as synonymous with the term ‘interorganizational network’ used in management literature (Möller et al. 2002; Möller et al. 2003). There are many ways to define business network, and one of them is offered here as starting point for our analysis. According to Aldrich (1979) “networks are a number of loosely connected organizations linked together by various types of bonds or social relationships”. On this ground business networks are loosely structured in nature. More especially the business network tradition is looking at the process and structure of organically evolved networks (Möller & Halinen 1999). However, the net is something different.

Table 1: Possible characteristics of net, network and market

Structure	The Concept		
	Net	Network	Market
Amount of Specific Investments	High	Low to high	None
Number of actors	3-10 (Low)	(Medium to high)	∞
Boundary	Fuzzy	Clear to fuzzy	Clear
Exit/enter	Infrequent	Medium to frequent	Frequent
Technology	Specifically tailored	Generic to Specific	Generic
Knowledge	Specific	Generic to specific	Generic
Source of Power/Control	Known	Unknown	Benefit, cost and value driven
Process			
Origination	Intentional	Organic	After needs
Adaptation	At the beginning and if needed	Continuous	Seldom
Coordination	Net organization	Many organizations	Price and offering
Exchange	Information and social are central, symmetric	Products, services and money, asymmetric	Products, services, money and symmetric
Knowledge creation	High, social capital accumulation	Low, information is not shared, afraid of losing	Accidental

In Table 1 we have illustrated the differences between the concept of net and network while contrasted to the market. We have identified the importance of structure and process (Möller

& Halinen 1999) in both concepts and with help of ten structural elements and five process elements we can shed light on the differences of net and network concepts. This is done in the following section.

The structure of the net and the network

We have identified from the literature ten important elements of structure that are different both in network and net. The elements are investments, number of actors, boundary, exit and entry frequency, used technology including compatibility and incompatibility of technologies, the role of knowledge, power and control source and finally proximity and familiarity elements.

In both business networks and nets the investments are either made directly or indirectly to business relationship which tightens parties' together (Easton & Araujo 1992; Johanson & Mattson 1984). Relationship specific investments are made directly to one relationship and those investments are not usable in any other relationship (Hägg & Johanson 1982). These investments might be adaptations of products, processes and routines (Forsgren & Johanson 1992). Recent study by Rokkan et al. (2003) demonstrated that specific investments may actually bond the receiver and reduce opportunism under certain conditions. From this perspective we can argue that net specific investments are the collection of investments made by the connected actors of the net and those investments are not usable outside the net and therefore, these specific investments are one factor which creates nets. In the net the amount of specific investments are higher due to the fact that all the investments by the members are done for the creation of the net while in the network the investments are rather general in nature which can be easily modified to fit the needs of the network parties.

The underlying initial investment condition is different in both cases.

The boundary, between members and non-members, of the net can be clearly drawn while the boundary of the network is fuzzy. The number of actors involved in the net is smaller than in the network. This is because the role of the actors in the network is not clear for the actor nor is the role of other actors. The role of actors in the network and net is an important issue as pointed out by Mattsson (1984). It is argued that due to the intentional nature of the net, the roles of the actors are carefully planned in the net and the role, what do you do for me, is clear. The role and involvement of the actors depends on the resources, knowledge, skills that are needed when fulfilling the role and these resources are always contributing to the success of the net. The role of the actors in net is highly specialized while in network the tasks are rather general and usually involves simple exchange of product or service. In net there is no space for duplicate roles and the tasks allocated must be conducted as effectively

and efficiently as possible.

Inside the net, the division of work between different net members is carefully planned and resources are allocated according to the common goal. If the goal of the net changes so does the plan, structure and the net. However, if in the network one goal is changed it usually does not affect the whole network but rather individual relationships. The members are combinations of individuals, teams and units that are forming the member organization. These individuals are contributing their knowledge and skills for the member and the net according to the plan to achieve the common goal. The number of members and individual is limited and therefore the structure of the net is very tight and individuals or members can not easily replace each other if one exits the net. The companies involved in intentionally created net need specific capabilities that must be adapted to the goal and needs of the net. To sum it up the division of work, resource allocation and the structure of the net organization as well as individual members are carefully planned according to the aim of the net.

Aspects of change in the net and the network

We have identified from the literature five important processes that occur through the ten elements which were previously presented. The process elements are adaptation, coordination, exchange, and knowledge creation. All of these processes are occurring within business relationships as well as between business relationships that form the net or the network.

The adaptation process is the modification that occurs within the business relationship. Transaction or relationship specific investments are considered to be one form of adaptation (Lohtia & Krapfel 1994). The adaptation process within business relationships is described in detail in Canning and Hanmer-Loyd (2002). For the purpose of this study, adaptation must occur at least in two relationships and adaptations must be connected in order to create smallest possible net, the triad (Alajoutsijärvi & Eriksson 1998). The adaptation or change can be either confined or connected (Halinen et al. 1999). The confined change in business relationship is not transmitted to the network level and in connected change the change in business relationship is transmitted to network level. Transmission means that network/net parties are required to change or adapt their behavior to cope with the changed business relationship. In the net great number of adaptations are done in the starting phase of the net since the goal and structure of the net are known. After that the adaptations are done on daily and if needed basis. However, in the network the adaptation is a continuous process where are parties of the network are adapting to each other. After reaching maturity (Ford 1980), adaptations play a smaller role in daily activities.

Information technology and digitalization

As pointed out by Wilson et al. (1997), it is not fruitful to identify different approaches to define information technology (IT). More importantly there is plenty of evidence that IT is increasing its share in the total sum of companies' investments (Davenport & Prusack 1997; Dedrick et al. 2003). These resources must be used uniquely and effectively to gain competitive advantage (Peteraf 1993). The IT also involves high personnel training costs, the pay back period of IT investment long, and it is usually too complicated to anticipate the value of the systems.

In order to show what is meant by IT we present a quite common definition of IT from the 1980s. According to Emery (1987) IT is "the technology associated with computer hardware, computer software, and communications- for the most part, based on the microelectronic chip and the digital representation of information". To move from IT to digitalization and its affects we can define digital by Emery (1987) digital means "the representation of data in digital (i.e. numerical) form, generally using some form of binary coding" while binary coding means "a method for representing characteristics or numeric values using two state coding scheme" in this case zero and one coding. The digitalization refers to making something digital and thereby making effective and efficient transmission of desired information through IT. Our definition of IT encompasses all the technologies capable of transmitting and processing information. These include, but are not limited to, information and communication technologies (ICT), information systems (IS), electronic commerce (EC) systems, EC technologies, EC applications, enterprise resource planning (ERP), customer relationships management (CRM), supply chain management (SCM) and enterprise application integration (EAI). There are four common ways to acquire IT: a) off-the-shelf, b) developed internally (by the company specialists and others), c) lease, and d) mix of all the above ways. The third option – 'leasing' the tailored system from the application provider via the Internet - is gaining popularity. When companies are acquired and merging the by product of these are various IT systems that are partly or totally incompatible. For example the average Global 500 companies have more than 50 internal business applications (GE Information Services 2003) This is a fourth indirect way of acquiring IT resources. Systems mentioned above are helping companies to organize both internal and interconnected business, administrative and computational processes. With the help of these IT resources companies are not only able to make their internal processes such as billing, invoicing, and shipping more effective, but also strengthen relationships to other companies. However, while companies are installing and using various IT applications and systems that enable many new streamlining solutions and revenue models they also bring in something that has been partially studied outside the marketing

realm. This is the effect of IT and digitalization within business relationships and interconnected business nets and networks. In next we move on to identify the affects of IT and digitalization on business networks and nets.

The effects of IT and digitalization

In this part we will ponder on the effects of IT and digitalization on business network and nets. We have been discussing the role of bonds and linkages between corporations. But to further clarify, there are many types of bonds and linkages identified in the literature related to business relationships, networks and nets. According to Axelsson and Easton (1992), Mattsson (1984) and Hammarkvist et al. (1982) there are eight bonds. These are economic, social, technical, logistical, administrative, informational, legal and time based bonds or linkages. The links between business actors that form business relationship and which then links business relationships to a wider net are fuzzy concepts to unravel. For the purpose of this study, the links are the IT resources, whether interconnected or not. We are specially looking into the role of technological and informational linkages. Fig. 1 summarizes the discussion of nets and networks and gives us pretty solid ground to work with the effects of IT and digitalization on business networks and nets.

Fig. 1: Illustration of the concepts of the net and the network

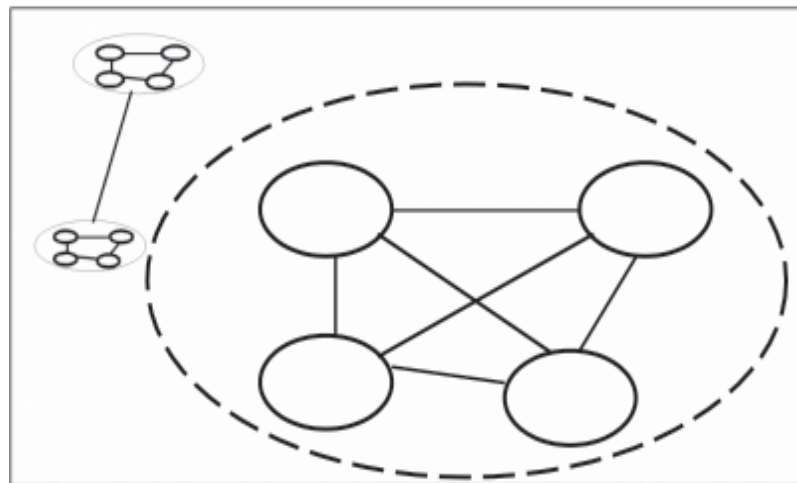


Fig. 1 depicts a situation where there are four parties A, B, C, and D, which are forming a net. Those are probably competing with other nets and networks in an industry. Member A could be mobile phone company, C could be a software producer, D large component supplier and B another mobile phone company. The goal of the net is to be the best mobile phone organization in the world while A supplying high end phones and B supplying mass manufactured

phones. By working intensively only with few members the benefits are those as described previously.

The impact of IT and digitalization are interlinked to the initial network conditions, and therefore, there are many possibilities in which way the IT will impact the business network. The effects can be classified basically into impacts on the business relationships that are connected through dynamic adaptations to form business network and net. Further on these can be divided into structure and process impacts but the impacts of IT to

The impacts of IT and digitalization on network and net structure are rather simple. In the Companies can increase their IT investments in respect of network, and there by uptake more IT and modify the current network structure to a more net-like. Structures, assuming that net is the better option and position for the company. Technologies can be modified to be more compatible by using adapters and integration technologies. The adapters suitable for different technologies can connect incompatible technologies together but creating adapters is costly. From the manager's perspective, one criterion to choose IT resources should be the compatibility/ incompatibility trade-off. However, as pointed out many times in mergers and acquisitions, there is no possibility to choose. The impact of IT in the net structure has already occurred while establishing the net but IT use can integrate existing members more tightly due to the specific nature of these adaptations and investments. It should be noted that social bonds should be created first before investing in IT.

The impacts of IT and digitalization on business network and net processes are more interesting. In the network the role of IT and digital tools is to increase the coordination and adaptation possibilities since many organizations are reaching for the goal that is changing. The coordination with help of IT is possible if initial investments and adaptations to IT are made. The focus is on simple product, service and money exchange rather than knowledge or informational exchange. In the net IT is used to knowledge exchange and creation between the net members. The goal and structure are stable and therefore IT is not so much needed in coordination of the actions of the parties. The social capital accumulation is possible due to the nurturing atmosphere.

The use of IT and digital tools in net enables seamless connection between the parties, and information flow, both social and technical, is transparent. In network the IT is used to coordinate the current actions and structure. Information technology is used to make current activities that are interlinked or not with other business parties more productive and faster. The temporal focus is on action at the moment. The net however, uses IT on creation of

something new while maintaining the efficiency and effectiveness in all business processes. Therefore it seems that the net is source of innovation if boosted up with the right mix of digital tools. The focus is on future and therefore technological compatibility inside net while being incompatible to outsiders protects them now and for some time in the future.

Conclusion

This study analyzed the effects of digitalization on business networks. In other words, the purpose of this study was to seek answers to the question. What, if any, are the effects of digitalization on the structure of business nets and networks? The impact of IT and digitalization are two-fold in both types. The impact is on the level of structure and on the level of individual processes. However, the initial condition, i.e. the antecedent is crucial to the impacts of IT.

The main proposition is that IT makes it possible to coordinate, exchange, and create knowledge if initial conditions exist. This means that if companies have necessary IT and digital tools in place, then interorganizational social bonds are created, trust and commitment are established, and the business relationship and networks enter into a relatively stable phase.

In business network, IT makes it possible to organize day to day operations effectively and makes it easier to coordinate the activities between the parties. The digital technologies can tighten business relationships within a net by creating informational and technical bonds. As a result of this development, tightly structured nets are created. In net IT facilitates the exchange of information and creates entry barriers to the net and individual relationship. However, this is a two-way effect. Parties in net do not want to exit nor can outsiders enter due to the transaction, relationship and net specific investments and benefits. Furthermore, we would like to illustrate some adverse affects of IT on nets and networks. Digital tools and IT can be seen as loosening the structure and processes of networks since with compatible technologies or with help of adapter technologies tight networks can be entered and the natural balance is disturbed.

This paper is conceptual in nature and therefore, has limitations. But in general, it provides some conceptualization of how IT and digitalization are affecting the network structure. Future research needs to be directed to a comparative case study that provides some empirical validation for the ideas developed in this paper. For academia and managers this paper provides some insightful thoughts on business networks, nets, and the role of IT in those networks. Further studies should include crystallization of the developed ideas and empirical case studies on networks that are impacted by IT.

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Digital Marketing in Banking: Importance and Effectiveness

* Dr.Manoranjan Dash

** Mr.Dhruti Sundar Sahoo

*** Dr.Madhusmita Dash

ABSTRACT

With the rising interest in the internet and its beneficial usage, man has created many options to make his life simpler. Digital marketing is playing a vital role in business productivity. Digital marketing holds a significant role for both customers as well as for the companies selling their products and services. Measuring and improving digital marketing efforts varies depending on goals of the marketing campaign. This paper focuses on importance and effectiveness of digital marketing and reveals how key forces are shaping banks' marketing priorities and spendings such as changing socioeconomics, shifting demographics, new digital marketing capabilities, and disruptions.

Keywords: Digital marketing, disruption, Socioeconomics

Introduction

Marketers are faced with new challenges and opportunities this digital age. Digital marketing drives the creation of demand using the power of the internet, and satisfies this demand in new and innovative ways. In other words Digital marketing is the utilization of electronic media by the marketers to promote the goods and sell in the market. Digital marketing can give value in the form of time, attention and advocacy from the consumer. A digital marketing strategy builds on and adopts the principles of traditional marketing, using the opportunities and challenges offered by digital medium. Digital marketing is one type of marketing being widely used to promote products or services and to reach consumers using digital channels. It includes mobile phones, social media marketing, display advertising, search engine marketing, many other forms of digital media. Digital marketing can give value in the form of time, attention and advocacy from the consumer. Banks should leverage social media as a two-way communications vehicle for both listening to the audience and gaining insights, with the goal of providing customers with targeted and differentiating solutions that solve their financial needs. New digital marketing capabilities drive a Paradigm Shift in the context of the

* Asst.Professor, Faculty of Management Sciences, Siksha O Anusandhan University, Bhubaneswar.

** Asst.Professor, Faculty of Management Sciences, Siksha O Anusandhan University, Bhubaneswar.

*** Asst.Professor, Dept of Humanities & Social Sciences, Siksha O Anusandhan University, Bhubaneswar

aforementioned trends, 'Digital' has become the most critical focus area for bank marketers today. While many now use new tools and techniques to improve reach, customer engagement and, more importantly, new business acquisition, most marketers are still trying to grasp what it means to "be" digital. With ongoing channel proliferation, marketers struggle to build out their strategies while reinforcing customer loyalty and brand awareness. Also, while distribution and channel reach have become vital factors - and table stakes for digital transformation — technology and resource maturity varies by bank.

Importance of Digital Marketing

- **Affordable**

Digital marketing is very cheaper when compared to the other modes and means of marketing. Information going online regarding your company or product may not cost the company more than a fractional cost of sending the same information via newspaper or a digital advertisement.

- **Effective targeting of the audience**

As the technology probe more and more into our daily life, it has made a significant effect on our sense that can be convinced. Moreover, there are always higher chances of more people watching an online ad than a print media advertisement.

- **Traceable Results**

Technology has made it very easy for the marketers to track and monitor their results online. The data can always be collected and the analyst may help in data assessing and provide the valuable data for various decision making.

Effectiveness of Digital Marketing

The digital market offers a platform to review all the aspects associated with a product.

1. **Acceptability-** In this tech savvy era the information available online is widely accepted by the customers in comparison to the physically available information.
2. **Wider audience:** The coverage of digital marketing is much more than that of the physical media as the internet is now the new tool of every type of communication. It is a lot much easier to sit back and communicate over a technology driven device.
3. **Impact:** How many times did you forgo your favourite show to watch an advertisement of a company selling some random product? But while surfing the internet, it is always very easy to restart what you left from the same point. Any advertisement pop up window attracts you as soon as it flashes on the screen.

Measuring and improving your digital marketing efforts varies, depending on goals of the marketing campaigns. Each campaign will have different micro- and macro-conversions to measure that can help determine if the campaign was a success or not.

Common Metrics

Visitors/Users – A visitor or user indicates web site performance. A visitor/user is simply a person that have been on your website.

Page views – A page view is an indication of how interesting your website is to a visitor/user. The more pages they visit, the more likely they are to become a customer is generally the idea.

Search Traffic – It is important as search traffic and can be largely made up of unknown visitors/users and can be seen as growth in an audience.

Bounce Rate – This is another indication of how interesting your website is to a visitor/user. Bounce rate is the percentage of visitors/users that start on a page but leave before visiting another page on the site. Ideally, a low bounce rate (less than 40%) is preferred.

Investment – Investment includes salaries put towards the marketing campaign. This will help calculating future metrics to measure and report on.

Conversions – Set up web conversions and record each conversion. Assign a value to each conversion once you know the estimated value. This will help with calculating ROI and revenue.

Cost per X – This is a simple statistic which is not always easy to find as it requires a system in place that includes documented cost towards the campaign. However, sharing the cost per session, pageview, conversion, or customer is a quick indication of whether the campaign is performing ideally or poorly.

Customer Lifetime Value – By measuring customer lifetime value you are able to project a cost towards acquiring a customer over time. Combining this with the cost of X, you should be able to predict cost for future marketing campaigns and estimate traffic, conversions, and sales.

Lifetime Revenue – This metric can be measured even without access to the CRM or sales sheets. One way of sharing lifetime revenue is figuring out what a conversion is worth and simply multiplying total conversions by worth. While this number may not be the exact revenue the company has generated, knowing this will help connect the dots between web metrics, and finances providing a deeper understand and appreciation for the work that is being done.

Lifetime ROI – ROI (return on investment) goes hand-in-hand with lifetime revenue, and rightfully so. Measuring revenue is great, but it doesn't provide the right context in the sense that the company might have spent more than the revenue generated. ROI provides the amount of money earned, after cost.

Four Forces Impacting the Bank Marketing

- **Socio-economics and Shifting Demographics**

Since global economic meltdown, the financial services industry has been saturated in change, remaking fundamental operating assumptions and business models, and working overtime to restore credibility with commercial customers and consumers. Rapid digital innovation and new consumer behaviors are reinforcing changes across the value chain and driving the emergence of alternative banking approaches and supporting technologies, such as peer-to-peer lending, big data analytics, mobile wallets and block chain. To succeed in the digital era, it is critical for banks to understand consumer adoption of, and preferences for, digital media. Marketers have always been challenged to quantify marketing's contribution to the business and its impact on revenue. That's especially true now in today's digital advertising age. With the right combination of metrics and a strong data driven attribution model, bank marketers can share insights on the effectiveness of their display advertising strategies, and then identify and optimize investments in profitable channels. Moreover, with cross-channel and multiservice ad-serving that uses a single unique ID, marketers can develop their own proprietary fractional attribution models. The challenge going forward will be to take action on these models by re-allocating funds in real-time across publishers, creative, devices and placement.

- **Disruption and Consumerization of Banking Services**

Banks are under increasing pressure from born-digital competitors, including fintech businesses, peer-to-peer lenders and new types of digital payment methods and currencies. Recognizing the threat, banks are fighting back with digital, mobile and other strategies - while facing more profound regulatory scrutiny, revenue growth expectations and cyber-security risks than smaller, primarily digital, businesses. Historically, banks took conservative, industry-specific approaches to defend against customer attrition, counting on customers to remain loyal simply because of the relative difficulty of changing banks. However, as they begin to accept that their brands can be displaced by more innovative, nimble and quick competitors and struggle to maintain relevance, banks are now responding to the digital banking mandate, proliferating consumerization and the threat of disruption by going through 4 States. These states are not necessarily independent, nor are they sequential:

- The first state, which many banks find themselves in today, is simply to implement, so far as is possible, an effective digital interface between legacy systems and digital customers.
- The second state is to implement a natively digital platform that integrates all customer touch points from the front to the back office, across all channels.

- The third state is a more common defensive play, in which digital partners are established under the bank's brand to provide digital services that might otherwise disinter mediate the organization.
- The fourth state depicts an open banking services architecture in which it is not necessary, at least from the onset of a services relationship, for customers to acknowledge the bank from which the services are being provided. In this state, customers themselves choose not only the access method but also the entire approach to customer interaction.

Banks generally view customers through their accounts and transactions and often fall short in providing a rich and engaging experience without being asked. Bank marketers who understand the notion of micro-moments are beginning to create tailored content to address learning moments and how-to moments, and they are employing differentiated methods of measuring engagement.

- **Digital Transformation**

The role of chief digital officer has been folded into the marketing organization, as well. The new digital landscape has not only empowered today's consumer to be in control of the buying process, but it has also dramatically increased the number of ways a brand can "touch" the customer during and after the buying journey. With a plethora of channels and touch points between a bank and consumers, the need for an integrated, holistic approach to managing the customer lifecycle is critical. Also, new emphasis on customer engagement has led the marketing manager to manage responsibilities. Managers gain more stature in their organizations by shouldering additional responsibility for activating and nurturing engagement across the entire customer lifecycle; they are also evolving into mainstream drivers of bank revenue — a remarkable evolution.

Conclusion

Digital channel in marketing has become an essential part of strategy of many companies. Nowadays, even for small business owners there is a very cheap and efficient way to market his/her products or services. Digital marketing has no boundaries. A Company can use any devices such as smartphones, tablets, laptops, televisions, game consoles, digital billboards, and media such as social media, SEO (search engine optimization), videos, content, email and a lot more tools to promote the company and its products and services. Digital marketing may succeed more if it considers user needs as a top priority.

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E-HRM: A tool for cost reduction in Organisation

*Manoj Kumar Behera

ABSTRACT

In this transformed business world, technology has become an integral part of the life of every individuals and the organisations. The use of technology, particularly information technology and web technologies (computers and internet), helps the individuals and the organisations to simplify the daily tasks and solve the problems arise in day-to-day activities. It helps the organisations in business processes and enhances the efficiency of organisational performance. In contemporary business, information technology tools are essential to make business processes effectively and efficient. Increasing competition in the current business world has compelled every organisation to start realising the importance of information technology in business and to implement new innovative ideas to stay alive in an environment cut-throat competition. Every department of an organisation plays an important role in the success story of the company, especially the human resource management department. The implementation of information technology in this department in an organisation has given birth to a new concept, e-HRM. According to some researchers, the implementation of IT in HRM has various effects on the traditional way of human resource management processes. This research paper focuses on the positive effects of e-HRM and concentrates on how e-HRM will help organisations to reduce the cost. This paper starts with an overview of the previous existing reviews and studies on basically two themes such as the definitions of e-HRM and the ways to reduce cost with the help of e-HRM. For the study, secondary data have been used from the known databases like EBSCO, EMERALD, and PROQUEST. and also articles from GOOGLE SCHOLAR. In doing so, this study can offer an in-depth knowledge and understanding of e-HRM and its effects on cost.

Key words: E-HRM, cost reduction, HRM, Information technology, web technology.

Introduction

Nothing is constant in this world; everything is changeable, more so technologies and processes. To be successful in this rapidly changing world, organisations have to adopt new changes more quickly than the competitors. Human resource manager is known as the change agent for the organisation to bring the change effectively into the organisation in terms of change in processes or in technologies. According to Hensi Margaretta (2008), due to

* Asst. Professor, P.G.Department of Commerce, Vikram Dev (Autonomous) College, Jeypore.

increasing demand of internet worldwide, many business firms try to develop their business through internet. Technological advancements act as strong driving forces for the organisations to change their way of doing business, communicate and work. Digitalisation in the business processes have reformed and enhanced the organisational activities. The impact of digitalisation can be seen in every department, profession and all functions of management. Like all departments, human resource management also been affected by the on-going development of new technologies. In early days of development of HRM, it was treated as mere a staffing function of human resource (HR). But in the past few years, this has been considered as an important role player in the success story of the organisations by providing the services as an expert to the management; it works as strategic line function rather mere advising staff function because of the advancement of web technologies. The implementation of technology in HRM makes the human resource manager a business partner and a change agent for the organisation. Basically, every organisation depends on HRM for better utilisation of the resources and plans for different task of top level management. E-HRM uses IT for developing network among the employees and supporting them to share the performance of HR activities and practices among them. If any organisation's E- HRM system is good, then the success and performance of the organisation can be ensured. It is the web-based solution that uses the information technologies to help the organisation to furnish all the HR functions like acquire, develop and deploy the human resources of the organisation. E-HRM will provide a portal where the managers, employees and other stake holders can view the necessary information. It enables the managers and HR professionals to alter and extract the information, which is necessary for the HR functions and can take the decisions quickly. The information technologies and web technologies (WWW) have helped HR managers in many processes like HRP (human resource planning), recruitment, selection, training, performance management and compensation management, etc. The new advanced tool called e-HRM enables the managers to provide better service to all the stake holders and also reduce the burden with effective cost control. In this competitive world time is money; any tool provides the facilities to speed up activities and productivities, or controls the costs needs which to be used. In support to this, Foster (2010) said that the biggest advantages of E-HRM is cost reduction.

Objectives

- To elucidate how the e-HRM helps in cost reduction in organisation
- To understand the other benefits of e-HRM

Research methodology

The present study is descriptive; the data of this study were obtained from the secondary sources. The secondary data have been collected from the various references which already exist in published form.

Literature review

According to Watson Wyatt (2002), e-HRM is differently known as digital HRM, web based HRM etc. since the 1990s, and the organisations are increasingly using electronic human resource management. In supporting to this Olivaset. al(2007) also mentioned in their articles that e- HRM is used interchangeably with virtual HRM, HR intranet, Web based HRM and HR portals.

Panayotopoulouet. al. (2005) said that, due to the advancement in technologies enables the organisations to use information technology to control and manage all the various HR processes effectively. It contributes towards the availability of the strategically information and knowledge, that's leads to create competitive advantage.

Ruet et al.(2004) states that, e-HRM is the process of planning, implementing of information technology for create network between at least two or more individuals regarding their performances in different HR activities and support each other. From the technical point of view the IT possibilities for HRM are endless; it can be used or implemented in every HR activities.

Kettley P and Reilly P (2003), defined E-HRM as a Computerized Human Resource Information System (CHRIS) consists of "a fully integrated, organization-wide network of HR related data, information, services, databases, tools and transactions." Again they consider e-hrm as a conventional web technology that can improve the HR administration and enhance the process performances.

Ernst Biesalski,(2003), defined e-HRM as a web based tool that automate and support in all the HR activities. It facilitates the e-HRM related activities like e-recruitment and helps the employee to deal personally with their information for HR purposes in the organisation. This offers more self-service to the employees."

Mary Gowan has defined e-HRM as a tool which use the latest web technologies to provide the information online and real time human resource solutions. This can be easily altered as per the need of the organisation so it is flexible in nature.

According to MS Kauffman, e-HRM is a planned change in the process of administrative task through information technologies by utilising new processes, methods of work, new technologies that increases productivity, increase in quality of products and increase

profit level and also provides better methodological analysis and control. In addition to that, this automation system has the ability to improve efficiency by reducing the wasted resources including rejects or errors in production; helps in increase consistency, quality and maximise the profit by providing high customer satisfaction.

From the literature review, it is found that researchers categorise the E-HRM into three types such as; operational e-HRM, that involves all the administrative functions of traditional HRM (salary and data administration), relational e-HRM, which is concerned with all the business process like (recruitment, selection of job applicants, training and performance measurement) and another one is transformational e-HRM, which is related to the strategic part of human resource functions like organisational change management (Snell et al., 2001; Ruel et al., 2004) and provides endless possibilities to the employees to communicate with others throughout the world at any time of the day (Parry & Tyson, 2010).

Figure-1: E-HRM functions after IT intervention.



How various e-HRM activities help the organisation to reduce the cost?

E-Recruitment: The primary function of HRM is to recruit the prospective employees from the labour market by attracting the individuals by providing necessary information about the

organisations, job and other information required for the recruitment in the different means of advertising in the different medium which increases the cost to the organisation. By implementation of information technologies (computers and internet) number in the organisation helps to provide the information online to a wide number of individual with a minimum cost and effort. Some companies are using e-applications for the individuals who are looking for a job. For this the organisations need to upload all the necessary information in the web portal which gives an easy and stimulate the individuals to apply for the job. This also provides various provisions to screen the applicants through the web sites only which may leads to reduction in cost. In this current labour market, many applicants are available for each job advertised by the organisation. E-HRM helps in tracing the applicant through the selection process while they pass over from one competition to another; this may be a good match for the organisation and this enables the organisation to save significantly the recruitment cost by reducing advertising and administration costs.

E-Employee Profile: In this competitive world, the success of the organisations depends on lies in the amount of information they have. Information about everything especially regarding the employees profiles. E-employee profile can help the organisation to maintain and manage the employee's information like personal information, professional, certification, education, work experience, skills, competencies etc. in a employee database. This simplifies the HR managers work to identify the right employee for the right job at the right time by providing all the information of employees' skill and organisational chart. E-employee profile also help the individuals, managers to identify the availability of employees, utilisation of employees, job , service details for easy and quick decision on locate the right employee with less cost.

*E-Selection:*now Most of the organisations are using job search engines for their selection purposes. They recruit the employees through the websites available in the WWW like naukari.com, monster.com, times job.com etc. all the selection activities like screening, different test and interviews are done online for testing the applicant's knowledge, skills, behaviour and attitude. This online test doesn't require any physical place, administrators and offices to deal with the test leads to reduce the cost of selection. Test online by using strong IT which helps to reduce the cost.

E-Training: Training is the most important function of HRM in any organisations as this deal with the efficiency of the employees. In traditional way of giving training in an organisation is to sacrifice time of work and cost to the employees and managers. Most of the organisations are start using internet or computers to provide training to the employees inside or outside of the organisation through online. This enables the organisations to save work time

and reduce the direct cost of training like: instructor's fees, training material and other facilities. And also reduce the indirect cost of training like travel expenses in case of outside training, work downtime etc. this e-training system will enable to reduce cost efficiently and conducted at any time as the convenience to the organisation.

E-Learning: E-Learning refers to the process of getting knowledge, creating knowledge, and sharing and managing of the skills and knowledge in an organisation. This process in enriched with the facilities of information technology helps the employees to share and transfer the skills and knowledge with other employees efficiently and easily. This is based on web-based applications consists of computer based learning, virtual class room, sharing of information through internet, intranet/extranet, satellite broadcast, interactive TV, CD-ROMs etc. helps the organisation to save time of learning of the employees with less cost.

E-Performance Management system: A web-based appraisal system can be defined as a system which uses the web (intranet and internet) to effectively evaluate the skills, knowledge and the performance of the employees which reduces the money and time of the organisation to use other important aspects of organisation.

E-Compensation: Compensation is the primary motivator for the employees to work enthusiastically in the organization so it is quite important for all type of organisations whether small or large must focus on the efficient compensation management system. This process helps the managers to allocate and fix the salary to the employees effectively with maintain the equitability in the organisation as per the budget of the company. IT intervention in this system produces the new system as E-compensation system where organisations are using internet or intranet for compensation planning and management. This enables employees to get all the necessary information regarding their salary or compensation easily and conveniently leads to satisfaction among the employees helps the organisation to retain good employees. This leads to save cost in terms of retaining best employees.

E-Leave: It helps to reduce the cost by defining the work force in advance and to review the past data records of the employee leave etc... In this way it will reduce the cost.

Anywhere, Anytime Access: The implementation of information technologies in the functions of HRM enables the stake holders to view or use the information at their convenience time and place as a web-based HR service system; HRIS offers the flexibility of accessing the information 24/7 hours, from anywhere with internet connection and IT. Which enables to reduce the operational cost?

Grievance Tracking and Analysis: Another important function of HRM is maintain Industrial relations with the unions, management and the government organisation for the better

or smooth conduct of the production. Generally, in the process of grievances management, there is always the obligation from both the parties to the grievances is that about the steps and timing of the contract. Digitalisation of grievance management system enables the company to avoid ill-will due to unnecessary reasons of being late in solution and also avoid the prospect of losing grievances or arbitrations for different technical reasons leads to save money and reduce cost.

Eliminate Majority of HR Paperwork: With the growing awareness for environmental sustainability, many companies are looking for ways to “go green.” Implementing a HRIS will help reduce almost all of the paperwork associated with HR tasks we can save money and time.

Other benefits of E-HRM

- E-HRM reduces administrative work and increases administration efficiency.
- e-HRM reduces administrative staff leads to cost control
- It provides all the updated information to the employees easily and conveniently.
- This enables the employees, employers and the stake holders to take part in various discussions online.
- E-HRM helps the employees in their career management.
- For the organisations having employees around the world, e-HRM helps to maintain and control the data and information of employees easily and effectively.
- E-HRM provides better security to the data and information than the traditional way of keeping data in the organisation.
- This helps the employees around the world to have easy access to the necessary information regarding the organisation as this supports multi-language formats
- The solution can be accessed and used in a web browser.
- It provides a user-friendly interface to help stake holders to access the information easily.
- Connectivity with the client’s existing information system (payroll accounting, ERP, attendance registration, document systems... gradual implementation
- It helps the organisation to collect information as the basis for strategic decision-making and provides an insight into reporting and analysis.

Limitations of the study

The limitations of this study are as follows:

- The study is restricted to the secondary data only it can be followed up with some empirical study in any organisation.

- As the scope of E-HRM is vast, and in this paper all areas could not be discussed due to time factor.

Conclusion

The new technologies and advanced information systems are being considered as a blessing for the business organisations in respect of dealing with all business processes effectively and efficiently. This will help the organisations to save costs and complete the tasks in less time. The extensive use of computer and internet in every field by every individual in society forces the modern business organisations to think of implementing the latest technology in order to cope up with the change in the business environment. Though the implementation of information technologies benefit business houses in many areas, it can be dreadful because of easy access to data from the other organisations can act negatively for the organisation. So it is important for the organisations to think and implement the e-HRM system tactically to ensure the control over the negative aspects of E-HRM. Sometimes the employees with a rigid mind-set can create problems by opposing the digitalisation of business processes, HR processes in particular. Therefore, the managers need to act as good change agent to bring this change and try to change the mind-set of the employee in their care regarding the usefulness of e-HRM and its tools.

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A critical review of Dimensions and Antecedents Organizational Citizenship Behaviour

*Dr. Tulika Singh

ABSTRACT

Organizational Citizenship Behaviour has been investigated by many scholars for more than two decades and even today it continues to be an area of concern for scholars. Organizational Citizenship Behaviour is a set of pleasant behaviours that positively contributes to the organizational efficiency. This paper is an attempt to recognize the meaning, nature and scope of OCB, the paper also tries to study this research subject matter as one of the conditions of organizational performance. The present study tries to explore various existing definitions of OCB and also the evaluation of it's a variety of dimensions. Based on the discussion on the dimensions, a number of backgrounds were identified. When the background is known, managers would be able to promote OCB among their employees for better performance.

Keywords: *Organizational citizenship behaviour, role perceptions, fairness, perception and organizational commitment*

Introduction

In the organization, there is some behaviour which is expected from an employee and some are forced on him by the rules and regulations of the organization. However workers sometimes demonstrate certain behaviours that go beyond the call of the duty. Such behaviour is called Organizational Citizenship Behaviour (OCB). Organizational citizenship behaviour (OCB) means such behaviour that is not formally demanded nor directly rewarded but are very effective to the functioning of an organization (Smith, Organ & Near (1983)).

OCB, also famous as "good warrior syndrome" Organ (1988), is the behaviour, which is shown by the dedicated workforce of the organization. This category of behaviour includes reliability, helping others, innovating and volunteering. Organizations cannot survive and develop if its members are not behaving as good citizens by involving in all kinds of positive behaviours. Because good citizenship is very important for organizations, considerate the character of OCB has been a matter of high precedence for organizational scholars Organ (1988). According to Organ, it is very important for the continued existence of the organization. OCB can have a positive impact on organizational accomplishment through improvement in efficiency, better employment of resources, better group action, performance augmentation and firmness.

* Assistant Professor (HR), Department of Business Administration,
C V Raman College of Engineering, Bhubaneswar, Contact – 9937044229,
Mail: tuli.sngh@gmail.com

Organisation cannot demand OCB by force. Workers cannot be forcefully asked to execute OCB. Similarly, the workers should not also look forward to any kind of formal rewards for showing this good behaviour. However, it doesn't go overlooked. Organ (1997), has explored that the supervisors do frequently observe and reward OCB shown by the workers both directly and indirectly (e.g. privileged dealing, better performance ratings, promotions, etc). Another important note particularly in Organ's founding work on OCB, is that such behaviours are intrinsic motivation of employees which arises from within and continued by an individual's intrinsic want for a sense of achievement, proficiency and affiliation. Organ (1988), argued that OCB is imperative to the continued existence of an organization. According to Organ organizational citizenship behaviour can help in maximizing the effectiveness and productivity of both the worker and the organization that eventually add to the successful performance of an organization. Well-known organizational researchers such as Brief have supported Organ's analysis concerning the significance for usefulness of those behaviours which he symbolised as organizational citizenship behaviour George & Brief (1992).

Objectives

1. To understand the background of OCB in a well-defined manner.
2. To study the various dimensions and antecedents of OCB.

The rationale behind this study is to suggest a structure to understand the background of OCB in a better manner. Such a structure should offer a means of understanding the range of findings formed by many empirical research studies related to the background of OCB. This study will firstly examine the idea of OCB exhaustively. Then an apparent and specific review of literature of OCB will be offered, after researcher will try to explore the several dimensions of OCB and the background of OCB will be acknowledged for building a model. Finally, a revised set of antecedents will be presented as a framework of OCB for future research.

The Concept of OCB

Organ was the first researcher to propose construct of OCB during his initial endeavour to understand these unnamed behaviours as a better demonstration of performance in the "satisfaction-causes-performance" Organ (1977). This work has encouraged various researchers to examine a variety of predictors of OCB, which may include job satisfaction, perceptions of justice and organizational commitment Moorman (1991). Why OCB occurs? Historically, each study suggested, and tried to an extent to find support for a new antecedent of OCB. But a convergence for consistency in the theoretical understanding of OCB is factually missing. It is argued that this deficiency of convergence in the search for antecedents is not

because of any measurement issues; rather OCB has been mainly studied as a momentum for better performance of the organization. More specifically, the researchers studied OCB as a prelude to employees' contributions towards organizational performance. However, the researchers failed to recognize why workers in the first place engage in OCB.

Before starting a discussion on the structure for OCB, it is necessary to know the concept of OCB more evidently. In the coming section, the discussion will look at literature of OCB manifested by different authors.

Review of literature

Barnard (1938) stated that the "eagerness of employees to give positive efforts to the organization was crucial to valuable accomplishment of organizational goals". Barnard noted that "efforts must be given not only to carry out the functions those add to the goals of the organization but also to maintain the efficiency of the organization itself." Maintaining the organization may possibly be understood to up-lift the organization by executing discretionary roles.

Katz and Kahn's (1966) extended this statement further. They claimed that in any organization, the system would not function properly if employees don't exhibit "countless acts of cooperation" They further noted that the rewards that motivate such impulsive, informal contributions are totally different from those rewards that stimulate task proficiency. Organ (1988), argued that OCB an individual's behaviour is optional. This behaviour is not directly recognized by the prescribed reward system and it promotes the effective operation of the organization in a collective manner.

Katz's (1964) paid extra attention to the concept of employees' extra-role behaviours. Katz pointed out that that employee gladly adds extra efforts for the accomplishment of the organizational consequences. Organ developed his OCB construct based upon the notions of Barnard (1938) and Katz (1964).

Organ (1997) again has noted that the supervisors regularly evaluate and reward OCB shown by the employees both directly and indirectly. Another significant statement, particularly in Organ's beginning work on OCB, is that such behaviours are internally motivated, coming from within and continued by an individual's inherent need for a feeling of accomplishment, efficiency or affiliation.

Van Dyne (1995) propounded a broader concept of "extra-role behaviour"(ERB), which may be defined as "behaviour that benefits the organization at large or is intentional to benefit the organization and it is totally discretionary in nature and goes ahead of expected role expectations".

Motowidlo and Borman and (1993, 1997) developed another notion known as ‘contextual performance’ associated with OCB that also gives input to the efficiency of the organization by providing a superior profile to organizational, psychological and social aspects that may serve as the device for betterment of task related activities. As opposed to “task performance” which means the effectiveness of the job incumbents in performing various activities that ultimately contributes to the organization’s technical hub by “contextual performance” these scholars referred to those job related behaviours where employees engage himself in many job behaviours and that fall outside the routine of job performance.

Motowidlo and Van-Scotter (1996) stated that the contextual performance can be divided into the two narrower constructs of “interpersonal cooperation” and “job devotion,” which are similar to Organ’s interpersonally focussed and organizationally-directed behaviours respectively. However, Organ (1997), also suggested that Borman and Motowidlo’s (1993), construct of “contextual behaviours” has propounded a mere justifiable definition of OCB.

Dimensions of OCB

Organ (1988) identified five dimensions of OCB:

TABLE 1. Definition of the five Dimensions of OCB (Davoudi, 2012)

No	Agents	Definitions
1	Altruism	Voluntary actions that help a fellow employee in work related problems.
2	Civic virtue	Voluntary participation in, and support of organizational functions of both a professional and social nature.
3	Conscientiousness	A pattern of going well beyond minimally required role and task requirements.
4	Courtesy	The discretionary enactment of thoughtful and considerate behaviors that prevent work related problems for others.
5	Sportsmanship	A willingness to tolerate the inevitable inconveniences and impositions that result in an organization without complaining and doing so with a positive attitude.

Altruism: means helping other members of the organization in executing their tasks, For example willingly trying to help new employees, supporting co-workers who are overloaded, accommodating workers who were absent and guiding employees to complete their complicated tasks. Organ, Smith, and Near (1983), explained altruism as spontaneous behaviours where an employee helps another worker with a particular problem to finish his

task under abnormal circumstances. It simply refers to an employee supporting other employee of the organization in the accomplishing his task without expecting any kind of benefit.

Conscientiousness is a discretionary job related behaviour that goes far ahead from the minimum role obligation expected from the organization, such as observing and obeying formal rules and regulations of the organisation, not demanding extra breaks from work, doing work for extra-long days, MacKenzie (1993), Conscientiousness is an example of going well beyond minimum requisite levels of attendance, timekeeping, housekeeping, inclination towards preserving resources of the organisation and giving an overall feeling of being a accountable and responsible citizen of the organization. If an employee is greatly conscientious then it implies that he is extremely responsible and requires less supervision Podsakoff and MacKenzie (1997).

Sportsmanship may be defined as “a readiness of employees to ready to bear the unavoidable disruptions and artifice of work without any complain.” Organ (1990). It may also refer to employee’s aspiration for not complaining when they are experiencing some unavoidable difficulties in discharging their professional activity. It means employee’s willingness to avoid unnecessarily complaining about the difficulties confronted in the workplace, have a positive attitude and also try to be tolerant towards unavoidable problems faced in the place of work.

Courtesy refers to the indication employee is willing to help others to avoid interpersonal conflict. such as giving prior notice of the task agenda to an employee who needs it, consulting other employees before taking any actions that may have an effect on them Organ (1990). Courtesy is demonstrated as a preventive measure from creating problems for co-workers Organ (1997).

Civic virtue: This aspect of OCB is essentially derived from Graham’s research which narrated that employees should be a good citizen of the organization, Graham (1991). it means the constructive participation in the political affairs of the organization and involvement in this process by freely and openly expressing their opinions, attending meetings and discussing the issues related to organization with the co-workers, for the good will of the organization. It simply represents a macro level dedication to organization.

Discussion on dimensions of OCB is carried further for a through conceptualization of OCB by investigating the various antecedents of OCB. For this purpose the researcher attempted to examine various antecedents of OCB pronounced by different scholars of this field. Finally, a revised set of antecedents triggering OCB is presented.

Antecedents of OCB

This segment will consider a range of individual and organizational factors found to put impact on an employee’s readiness to involve in OCB.

Table 2. Definition of The Seven Antecedents of OCB

No.	Predictors	Definitions
1.	Job satisfaction and organizational commitment	The level of satisfaction with the job and a strong belief in, and acceptance of an organization's goals and a strong desire to maintain membership in the organization.
2.	Role Perceptions	Role perception means what the employee himself thinks is required of him in the office.
3.	Leader behaviors and Leader-member exchange	The leadership style and LMX is positively related to OCB
4.	Fairness perceptions	Fairness Perceptions means the feeling of employees about equitability of organizational decisions.
5.	Individual dispositions	Personality variables including conscientiousness and agreeableness have positive impact on employees that make them more engage in OCB.
6.	Motivational theories	An individual's sources of motivation could have an impact on his or her level of OCB.
7.	Employee age	Young and old workers are different in their orientations toward self, others, and work. These differences may lead to different salient motives for OCB.

Job satisfaction and organizational commitment

Job satisfaction has a positive association with OCB. This will have a momentous control on employees' absenteeism, turnover, and emotional suffering Davis (1992). Employees with high levels of job satisfaction are more likely to be engaging in OCB (Brown, 1993). Individuals with high level of job satisfaction exhibit fewer predispositions to look for another job Sager (1994), and a decreased inclination to leave the job. Affective organizational commitment is also a commonly cited antecedent of OCB.

Role perceptions

Role perceptions include perceptions such as role conflict and role ambiguity, both of which have been found to be significantly negatively related to OCB. On the other hand, role clarity and role facilitation are positively related (Podsakoff et. al., 2000).

Leader behaviours and Leader-member exchange

Leadership appears to have a strong influence on an employee's willingness to engage in OCB. However, rather than being associated with a particular leadership style, research finds that it is the *quality* of an employee's relationship with his or her leader that counts

Podsakoff et al., 2000). The quality of the relationship between a subordinate and a leader is often called leader member exchange (LMX).

Fairness perceptions

Fairness or justice perceptions refer to whether or not employees feel organizational decisions are made equitably and with the necessary employee input (usually called *procedural justice*) and whether or not employees perceive that they are fairly rewarded given their level of training, tenure, responsibility or workload (called *distributive justice*). Perceptions of fairness are positively related to OCB (Moorman, 1991).

Individual dispositions

Personality variables including positive affectivity, negative affectivity, conscientiousness and agreeableness have all been found to predispose people to orientations that make them more likely to engage in OCB (Organ & Ryan, 1995). OCB does not seem to depend on personality traits such as extraversion, introversion, or openness to change. The fact that OCB is conceptualised as a set of behaviours primarily influenced by perceptions of the workplace (rather than by enduring personal traits) might be why measures of personality have not been widely applied in studies of OCB.

Motivational theories

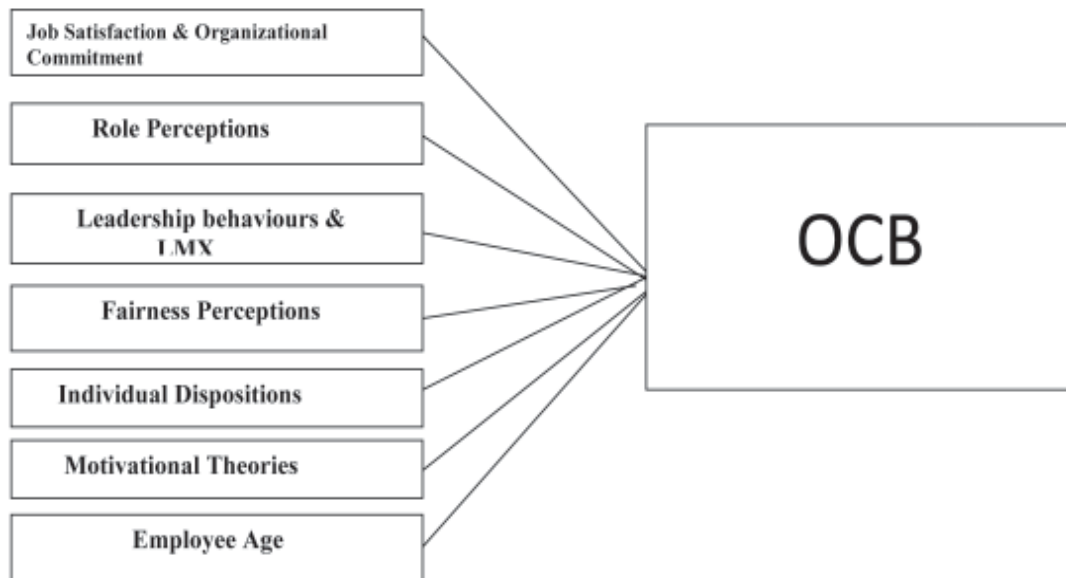
Recent research using motivation to measure an individual's disposition has renewed interest in examining Organ's (1990) model proposing that an individual's motives may relate to his or her organizational citizenship behaviours. Recently a new typology of motivation sources was proposed by Leonard, Beauvais, and Scholl (1999). The researchers proposed five sources of motivation measured include intrinsic process, instrumental, self-concept-external, self-concept internal, and goal internalization. Barbuto et al. (2001) argued that though the motivational theories work as antecedents for OCB, but the researchers cautioned that an individual's sources of motivation could have an impact on his or her level of OCB.

Employee age

Wagner and Rush (2000) pointed out that early years (20-34) are the years of establishment and settling down; later years (35- 55) are strong sense of self and location vis-a-vis life and work. The authors argued that younger employees coordinate their needs with organizational needs more flexibly; by contrast, older employees tend to be more rigid in adjusting their needs with the organization. Therefore, younger and older workers may differ in their orientations toward self, others, and work. These differences may lead to different salient motives for OCB among younger and older employees.

Job Satisfaction & Organizational

Figure 1: Antecedents of Organizational Citizenship Behaviour



Proposed Conceptual Framework

To give direction to the future researchers on OCB, the current author developed a conceptual framework based on the insights gained from literature review. The study adopted five antecedents (i.e. job satisfaction and organizational commitment, role perceptions, leadership behaviours and LMX, fairness perceptions, and individual dispositions) from Hannam and Jimmieson (2002) study. In addition, two more antecedents of OCB, which are derived from the review of OCB literature, were added in the model. They are motivational theories and employee age. In this study, it was revealed that a number of antecedents trigger OCB. To develop the framework, the current authors applied the antecedents as a mean of understanding why employees exhibit OCB.

Conclusion

Antecedents to OCB are the factors that enhance or impede the level of employees' performance in an organization. It is revealed from the various empirical studies that there is a positive relationship between OCB and the performance of the organization (Cardona, Lawrence, & Bentler, 2004; Hodson, 2002). For practicing managers, the main implication of the current study is that knowing the antecedents' managers could be better able to foster employees' OCB. Apart from the traditional measures of employee productivity, it is important

for managers to monitor that set of work behaviours that goes beyond the role description but also are important contributors to the effectiveness of the organization.

OCB are also subject to multiple antecedents. That is, there is no single cause of OCB. Theoretical frameworks for all other classes of organizational behaviours, from job performance to turnover to absenteeism, consider multiple source of causation. It is hoped that testing these suggested antecedents in different organizational context will help the researchers to enrich the understanding of how various work conditions affect an employee's willingness to engage in OCB. When the antecedents of this particular class of behaviours are better understood, managers would be more effective to cultivate the OCB among their employees.

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E-CRM of Insurance Companies in 21st Century- A Study in Odisha Market

* Dr.Biswamohan Dash

** Gopikant Panigrahy

ABSTRACT

This research study focuses on the management of customer relationship and the use of effective communication channels in today's digital era. Here CRM is being considered as a comprehensive integrated approach to improve the customer experience. CRM is the concept and practice which has been very prominent in service sectors. Here the service sector under study is the insurance sector in Odisha market. The insurance companies taken into consideration are LIC, AVIVA, BSLI, ICICI PRUDENTIAL and RELIANCE, and these companies are practicing CRM. But to experience consistent, profitable and satisfactory relationship with customers, the insurers are adopting various communication channels. These channels are sales agents, hoardings, tv commercials, webchart, e-mail, website, telephone, etc. This research study explores the effectiveness of each communication channel for the sake of creating awareness regarding the insurance products in Odisha market.

Keywords

Integrated Approach, Consistent, Profitable, Customer Experience and Awareness

Introduction

As a result of globalization of business and evolving recognition of the importance of customer satisfaction and retention, there has been a change in marketing policies. Bose (2002) added that, over the past few years, there has been a shift in relationship between company and customers, focusing on the benefits of long term relationship with the customers. Over the time, there has been a gradual move in marketing thoughts; from mass marketing to market segmentation. Then from market segmentation to Niche marketing and then from niche marketing to customization and personalization. The twenty first century marketing emphasizes more on smaller group of customers. Increasing competitiveness in international economy is forcing the organisations to place larger emphasis on building valuable customer relationship.

Customer Relationship Management (CRM) is the concept of building the philosophy of comprehensive and integrated approach towards the customers. CRM enables the service

* Asst. Prof., GIFT, Bhubaneswar, Email ID-biswamohan1@yahoo.com, Phone- 9937562371

** Asst.Prof., GIFT, Bhubaneswar, Email ID- gpanigrahy@gmail.com, Phone- 9861341414

providers to improve their customers' experience with every interaction by delivering real business benefits. Bradshaw (2004) said that CRM is consistently building improved customer loyalty, increased customer satisfaction and enhanced profitability. In looking for ways to drive growth, insurers need to evaluate their customer management strategy having CRM practices which lead consistent and cost-effective customer service, Customer-aligned products, enhanced customer loyalty, long-term value and customer retention. Today, more than ever before, the ability to maximize customer loyalty through close relationships is critical to insurers to grow their businesses. As insurers strive to create and manage customer relationships, the companies should adopt several emerging tools to achieve sustainable growth.

Customer Relationship Management

CRM is an integrated business approach to create and develop one-to-one relationship with customers. CRM is the customer –focused strategy to deliver customized service with value. CRM is about managing customer knowledge to better understanding and serve them. It is an umbrella concept that places the customer at the centre of an organisation. Customer service is an important component of CRM; however CRM is also concerned with coordinating customer relations across all business functions and points of interaction. The business organizations in general depend on customers for their sustenance and growth. Every business communicates with their clients in different ways by using various communication channels. CRM acts as a central repository of information on clients – both existing and potential ones. Customer relationship management software and technology are helpful to organize the data. Insurers receive data about customers and record it in an orderly manner. Online and web based CRM software help to understand customer needs and helps to recognize the required processes to achieve business goals. It should be the most acceptable practice for Indian service providers to adopt e-CRM and to get benefits. The essence of CRM is to build customer relationship and trust among the customers which reflect a fundamental change in the ways insurers interact with the customers.

Literature Review

Gal Breathes and Rogers (1999) stated that the goal of relationship marketing is the focus on customer loyalty, retention and CRM, which is becoming the foundational corner stone of profitable business. Kotorov (2003) added that many management experts welcomed the concepts of customer relationship management and hurried its implementation in spite of the lack of a clear definition, vision and without an understanding of the extent and complexity of organizational restructuring required for a successful CRM implementation. IT departments

within the firms are often unable to provide information and implement the demand. The gap between corporate needs and the limited available resources will keep impelling the great demand for CRM oriented implementation and integration to create better service. Through CRM, firms are able to understand customers from strategic perspective and as a result the CRM ultimately focuses on effectively turning customer information into intelligence to more efficiently manage customer relationship. Kotler (2003) observed that customer relationship management revolves around marketing and begins with a deep analysis of consumer behaviour. Bose (2003) stated that CRM is an integration of technologies and business processes used to satisfy the needs of a customer during any given interaction. Chou et al (2004) also have described it as an information industry including softwares, methodologies and internet capabilities to manage the huge customer data base.

In order to understand CRM, one must understand the changing nature of the customer. Today customers are highly educated, under higher stress, more specialized, living longer and more influenced by the global culture. The emergence of e- business, organizational dynamics and cultural change issues has dramatically shifted organizational functions to focus on the customers. Consequently organizations have recognized the need to develop customer-centric strategies. The practice of planning, creating and managing customer relationships has now a day become the heart of organizational strategy and to lead customer retention. Fayerman (2004) added that, the hype surrounding CRM has only been pervasive within business, technology, media and academic communities since early 1997. It showed the large impact on profitability and increases in customer retention rates. CRM is a concept that enables an organization to tailor specific products or services to each individual customer. In the most advanced scenario, CRM may be used to create a personalized, one-to-one experience that will give the individual customer a sense of being cared for, thus opening up new marketing opportunities based on the preferences and history of the customer. For this purpose insurers must be choosy to select the suitable and effective communication channels to spread the knowledge regarding the insurance product. CRM is also a customer focused business strategy that aims to increase customer satisfaction and customer retention by offering a more responsive and customized service to each customer. Anuroop Tony Singh (2004) stated that selling insurance in India is an attractive opportunity because of the untapped potential but is fraught with challenges such as language and cultural barriers and low purchasing power. Naren Joshi (2004) felt that consumer education is the key to the growth of the insurance industry in India. Viswanadhan (2005), said that banc assurance can be sure a fire way to reach a wide customer base. Rajesh Jhampala (2005) stated that multi-channel distribution and marketing

of new insurance products have been the strategy of new players and this trend would continue in the future. Smita Mishra (2005), opined that to constantly differentiate themselves, insurers have to constantly raise the bar of customer service and shredding inefficient practices. Anil Chandok (2006) stated that to have an upper hand over competitors, insurers need to adopt and implement CRM, Sridhar and Allimuthu (2009) stated that banc assurance would have a positive impact on insurance products distribution if banks and insurance companies understand each other's businesses and will seize the opportunities .

Research Objective

The objective of this study is to gain a better understanding of CRM in insurance, and to study the impact of CRM implementation in insurance organizations and perception of respondents towards various communication channels for creating awareness about maximum number of products.

Research Hypothesis

Hypothesis of the research study is : The communication channels like print media, electronic media and Internet along with sales agents are creating maximum awareness regarding product's benefits among the customers.

Research Methodology

Sample Selection

When conducting research, it is often impossible, impractical or too expensive to collect data from all the potential units of analysis included in the research problem. Thus a smaller number of units, a sample, are often chosen to represent the relevant attributes of the whole set of units. This research is purely based in Odisha market, interacting with insurance consumers and insurance officials. More over 284 customers have given their opinions regarding the insurance policies and insurance companies in relation to CRM practices, service standard, and effectiveness of communication channels for product awareness . In order to suit this particular research purpose, the sample collection followed some judgmental criteria. The first sample criterion was that the selected respondents should have at least one life insurance policy and should have knowledge about customer relationship management (CRM) in insurance companies

As far as respondent's profile is concerned, I have taken the demographic characteristics such as; age, education, occupation and income. Then the sampling distribution

is prepared. For age, three groups of respondents are there like below 25 years, between 25 to 35 years and above 35 years. For education two groups of respondents are there, like up to graduate and above graduate. For occupation two groups of respondents are there; like service holders and business men. For income three groups are there like; below Rs 20,000, between 20,000 to 30,000 and above 30,000.

Data Analysis and the Statistical Techniques Used

Chi square test: since the sampling method is stratified random sampling and the variables under study are each categorical variables, then chi square test can be used to know whether there is a significant relationship between two variables. This method is used to determine goodness of fit. In the hypothesis the dependent variable is product awareness and independent variables are the communication channels. To study the relationship between two variables, probability value (p) has been derived and existence of relationship has been measured.

Scope of the Study

This study is being conducted by considering five insurance companies in Odisha, who have already implemented the CRM softwares. These companies are; LIC of India, AVIVA Life Insurance, ICICI prudential Insurance, Birla Sun Life Insurance and Reliance Life Insurance. These companies are all operating in Odisha market. For the sake of better service standards, better customer satisfaction, quick digital access, integration, better relation building process with customers, they have all implemented the CRM software. Now this study will focus on how these companies have created awareness, customer satisfaction level and relationship building process in the competitive markets in Odisha to retain the customers.

Data Analysis

This section deals with primary data collected from the customers through a structured questionnaire. For this purpose five insurance companies are selected. These companies are AVIVA Insurance, Birla Sun Life Insurance, ICICI Prudential Insurance, LIC of India and Reliance Insurance. These five insurance companies have already implemented CRM in their operations. The data were collected from 284 respondents selected among the customers.

Respondent Profile

Table 1. Perception of Respondents across Insurance Organizations.

Sl. No.	Demographic factors	Sample profile	Insurance Organisations					Total
			LIC	AVIVA	Reliance	ICICI	Birla	
1.	Age	Gr.1 (below 25 yrs)	7	6	6	07	08	34
		Gr.2 (25-35)	30	22	20	17	36	125
		Gr.3 (Above 35)	35	22	22	24	22	125
		Total	72	50	48	48	66	284
2.	Education	(Gr.1) up to grad.	30	22	24	21	32	129
		(Gr.2) above grad.	42	28	24	27	34	155
		Total	72	50	48	48	66	284
3.	Occupation	Gr. 1(Service holder)	40	31	30	28	41	170
		Gr.2 (Business men)	32	19	18	20	25	114
		Total	72	50	48	48	66	284
4.	Income	Gr.I (below 20000)	26	18	16	21	32	113
		Gr.II (20000-30000)	24	18	18	17	25	102
		Gr.III (Above 30000)	22	14	14	10	19	79
		Total	72	50	48	48	66	284

Channels of Communication and Perception of Consumers

Insurance companies under study are using different channels of communication to create awareness. Table 2 depicts the perception of respondents towards different channels of communication in creating awareness regarding products to facilitate the relationship process with target customers.

Table 2. Perception of Consumers towards Communication Channels across organizations.

Sl. No.	Comm. Channel	Insurance Organization	Perception					χ ²	P
			1	2	3	4	5		
1.	News Paper	AVIVA	0	4	36	10		137.926	0.0
		BIRLA	0	4	46	16			
		ICICI	0	28	20	0			
		LIC	8	52	12	0			
		RELIANCE	0	14	26	08			
2.	Sales People	AVIVA	0	4	36	10		64.168	0.0
		BIRLA	0	4	46	16			
		ICICI	0	28	20	0			
		LIC	8	52	12	0			
		RELIANCE	0	14	26	8			
3.	Website	AVIVA	14	28	8	0		116.67	0.0
		BIRLA	0	26	38	2			
		ICICI	0	24	24	0			
		LIC	22	44	6	0			
		RELIANCE	0	10	34	4			
4.	Person to person contact	AVIVA	0	16	34	0		70.299	0.0
		BIRLA	0	18	48	0			
		ICICI	4	28	16	0			
		LIC	0	32	40	0			
		RELIANCE	0	10	32	6			
5.	E-mail	AVIVA	0	8	40	2		61.229	0.001
		BIRLA	8	34	24	0			
		ICICI	0	20	28	0			
		LIC	0	28	38	6			
		RELIANCE	0	14	34	0			
6.	Web-chart	AVIVA	4	30	14	2		48.507	0.002
		BIRLA	6	36	24	0			
		ICICI	4	22	22	0			
		LIC	0	22	50	0			
		RELIANCE	0	14	30	4			
7.	Telephone	AVIVA	6	32	12	0		66.977	0.0
		BIRLA	8	38	20	0			
		ICICI	6	34	8	0			
		LIC	0	42	30	0			
		RELIANCE	0	12	32	4			

News paper: It is observed that the views of the respondents are mostly in the perceptual groups 3 and 4 indicating higher preference for the media. The customers of LIC have shown news paper as 'sometimes preferred' compared to other companies. The customers of Birla sun life and AVIVA mostly prefer news paper as a medium to create awareness. The chi square value is 137.926 and $p=0.0$, indicating the statistical significance at 1% level. Hence the difference of perception exists. It indicates news paper advertisements were perceived differently for different organisations. In case of Birla sun life and AVIVA the news paper is perceived to be the most preferred communication channels to spread information, while for other organizations it was sometimes preferred.

Sales people: The opinion of respondents regarding sales people as a medium of communication are also shown in table 4.2 It is observed that the views of respondents are mostly in the perceptual groups 3 and 4, indicating the higher preference for the media. The Chi square value is 64.168 and $p=0.0$, which is less than 0.05. It means that chi square value is significant at 1% level indicating the difference in perception of consumers. Hence sales people were perceived differently for different organizations. Also in case of all the organizations, sales people are perceived to be the most preferred communication channels to spread information.

Website: It is observed that, the perception of respondents towards website as a medium of creating awareness is similar to the earlier two media. In case of five insurance players, the website is perceived to be the most acceptable communication channels to spread information, since in the five point scale of perception the views of the respondents are mostly in the perceptual group 3 and 4, indicating the higher preference for the media. The Chi square value is 116.67 and $p=0.0$, which is less than 0.05. It means that chi square value is statistically significant at 1% level indicating the difference in perception of consumers. This indicates website advertisements were perceived differently for different organizations.

Person to person contact: It is observed that, in case of all five insurance players, this channel is perceived to be the most acceptable communication channel to spread information, since in the five point scale of perception the views of the respondents are mostly in the perceptual group 3 and 4 indicating the higher preference for the media. The Chi square value is 70.299 and $p=0.0$, which is less than 0.05. It means that chi square value is statistically significant at 1% level indicating the difference in perception of consumers. This indicates person to person contact advertisements were perceived differently for different organizations.

E-mail: In case of five insurance players, this channel is perceived to be the most preferred communication channel to spread information, since the views of respondents are mostly in

the perceptual group 3 and 4, indicating the higher preference for the media. The Chi square value is 61.229 and $p = 0.001$, which is less than 0.05. It means that chi square value is statistically significant at 1% level, indicating the difference in perception of consumers. Hence e mail advertisements were perceived differently for different organizations.

Web chart: In case of five insurance players, the channel is perceived to be the most preferred communication channel to spread information, especially for LIC. It is because the views of the respondents are mostly in the perceptual group 3 and 4, indicating the higher preference for the media. The Chi square value is 48.507 and $p = 0.002$, which is less than 0.05. It means chi square value is statistically significant at 1% level, indicating the difference in perception of consumers. Hence web chart advertisements were perceived differently for different organizations.

Telephone: In case of five insurance players, this channel is perceived to be the most preferred communication channel to spread information, since the views of respondents are mostly in the perceptual group 3 and 4, indicating the higher preference for the media. The Chi square value is 66.977 and $p = 0.00$, which is less than 0.05. It means that chi square value is statistically significant at 1% level, indicating the difference in perception of consumers. Hence the telephonic advertisements were perceived differently for different organizations.

Consumer's Perception towards Private and Public Insurers

The table 3 depicts the perception of respondents towards different communication channels in creating awareness relating to CRM across private and public organizations. Those media are website, news paper, sales people, e mail and web chart etc in creating awareness.

Table 3. Consumer's Perception towards Private and Public Insurers.

Sl. No.	Comm. Channel	Organization Type	Perception					χ^2	P
			1	2	3	4	5		
1.	News paper	Private		0	50	128	34	91.334	0.0
		Public		8	52	12	0		
2.	Sales people	Private			50	124	38	25.978	0.00
		Public			36	36	0		
3.	Web site	Private		14	88	104	6	53.817	0.00
		Public		22	44	6	0		
4.	E-mail	Private		8	76	126	2	13.685	0.003
		Public		0	28	38	6		
5.	Web-chart	Private		14	102	90	6	18.503	0.003
		Public		0	22	50	0		

News paper : It is observed that in case of private insurers the news paper is perceived as most preferred communication channel since in five point scale of perception, the views of respondents are mostly in the perceptual group 3, 4 and 5 indicating higher preference for the media. But for the public insurers the views of the respondents are mostly in the perceptual

group 3 and 4 indicating as a mostly preferred channel. Chi square value is 91.334 and $p=0.0$, which is less than 0.05. It means that the value is statistically significant at 1% level, indicating the difference in perception of consumers. Hence the impact of news paper in creating awareness across different organization is statistically significant. This indicates news papers were perceived differently for different organizations.

Sales people: It is observed that, for private insurers, sales people are perceived to be most preferred channel of communication since in five point scale of perception, the views of respondents are mostly in the perceptual group 3, 4 and 5 indicating higher preference for the media. But for the public sector the views of the respondents are mostly in the perceptual group 3 and 4. Chi square value is 25.978 and $P=0.002$, which is less than 0.05. It means the value is statistically significant at 1% level, indicating the difference in perception of consumers. Hence the impact of sales people in creating awareness across different organizations is statistically significant. This indicates sales people were perceived differently for different organizations.

Website: It is observed that, for private insurers, web sites are perceived to be most preferred channel of communication since in five point scale of perception, the views of respondents are mostly in the perceptual group 3 and 4 indicating higher preference for the media. Chi square value is 53.817 and $p=0.0$, which is less than 0.05. It means the value is statistically significant at 1% level indicating the difference in perception of consumers. Hence the impact of websites in creating awareness across different organizations is statistically significant and were perceived differently for different organizations.

E mail: It is observed that, for private insurers, e mails are perceived to be most preferred channel of communication since in five point scale of perception, the views of respondents are mostly in the perceptual group 3 and 4 indicating higher preference for the media. Chi square value is 13.685 and $p=0.003$, which is less than 0.05. E mail can be a very confidential source of information. Chi square value is significant at 1% level, indicating the difference in perception of consumers. Hence the impact of e mail in creating awareness across different organization is statistically significant. This indicates e mails were perceived differently for different organizations.

Web chart: It is observed that, for private insurers, web charts are perceived to be most preferred channel of communication since in five point scale of perception, the views of respondents are mostly in the perceptual group 3 and 4 indicating higher preference for the media. Chi sq value is 18.503 and $p=0.0034$, which is less than 0.05. Chi square value is statistically significant at 1% level indicating the difference in perception of consumers. Hence

the impact of web chart in creating awareness across different organizations is statistically significant. This indicates web charts were perceived differently for different organizations.

12. Findings

As far as perception of consumers towards communication channels are concerned (from table 2) for news paper, the views of the respondents are mostly in the perceptual group 3 and 4 (in a 5 point likert scale of perception) for LIC. It shows the consumers perceive that news paper has greater impact for LIC or it is the most preferred channel to spread the information regarding products and its benefits in Odisha market. Also the value of p is less than 0.05, which is statistically significant. It is found that perceptual difference exists and there is relationship between independent variable like news paper and dependent variable like customer awareness. So, news paper has greater impact on creating awareness.

For LIC, Birla and ICICI prudential life insurance, sales people are most influential for product awareness compared to other companies, percentage of total for LIC is highest that is 25.6%, 23.5% for Birla and 18% for ICICI in a five point scale of perception and thus sales people are most preferred channels to spread the information regarding product's benefits. The views of the respondents are mostly in the perceptual group 3 and 4. also the value of p is less than 0.05, which is statistically significant and perceptual difference exists, indicating the relationship between the variables. Hence sales people are preferred to spread the awareness.

As far as the electronic channels are concerned, website, web chart, e mail and telephone are perceived strongly and are the most preferred channels to increase the awareness. For communicating channel like website, consumers perceive each company is using this channel and in five point scale of perception, opinions are coming under perceptual group 4 (mostly preferred). Similarly for e mail, web chart and telephone, perception of consumers across the companies reflect that for each company the percentages are higher. Views of the respondents are also in perceptual group 3 and 4, indicating higher preference for media and percentage of total for LIC are always above 25% for all electronic channels. These channels are preferred. Thus the fact is that, in Odisha market the insurers have started to interact with customers electronically by taking the help of electronic channels to spread the information regarding products. Besides for all the electronic channels the p values are less than 0.05, which are all statistically significant. It means the relationship exists between the independent variable like electronic channels and the dependent variable like customer awareness.

Consumer's perception towards private and public insurers

For communication channels like news papers (from table 3), the consumers perceive strongly and it's a preferred channel for both private and public insurers. The views of the respondents

are in perceptual group 3 and 4 in five point scale of perception for both private sectors and public sectors and for each communicating channel the values of p are statistically significant, for which the perceptual difference exists. Then it is found that news paper advertisements are adopted for each company to spread the information, regarding benefits of insurance policies.

For all the electronic channels; like website, e-mail and web chart the consumers' preferences are strong. Also it is found that the communicating channels like web site and web chart are becoming popular for insurers to create maximum awareness regarding the products. It is because the p values are all less than the significance level and relationship exists between the independent and dependent variable.

Conclusion

The conclusion of this study is that, for LIC and ICICI prudential life insurance, sales people are most influential and responsible for product awareness compared to other companies. In these two companies sales people or the insurance agents are doing the good job by touching the target customers in time and maintaining a need based selling. The response for news paper is very strong also as a communicating channel to increase the awareness. Again the responses for all the electronic channels are always preferred. So consumers perceive that the electronic communication channels like; website, mail, webchart and telephone have much more impact to increase the awareness. So it is concluded that, the undertaken five insurance companies are getting success by utilizing the electronic communicating channels, which can help to deliver quick service and convenient on line interaction to convince or sell the products to the potential customers. These companies are also able to create personalization and customization for the customers. These electronic channels help the agents also to motivate the customers and to build integration among customers and officials.

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Impact of Monetary Policies on Usage of Electronic Payment Systems in India

* Ananya Mitra

** Jayant Kumar Nayak

ABSTRACT

Demonetisation can be considered as the big push that Paul Rosenstein-Rodans' model spoke about (for the development of a country), for attaining the goal of making India cashless. But for a country which has been using cash for transaction and hoarding purposes, how big the push must be, to make India "Faceless, Paperless, Cashless" is the biggest question. The big push was followed by restriction on cash transaction, which cast a dual positive effect on Digital India. Keeping this in focus, the current paper tries to analyse the impact of demonetization and restricted cash transactions, through the eyes of the banking sector, on usage of various electronic payment systems in India. The paper makes a comparison among various electronic modes of payment, during and after demonetization. The paper is empirical in nature. Simple statistical tools are used on secondary data to obtain the results. *Keywords: Modes of e-payment, banking sector, India.*

Introduction

The usage of electronic payment systems undoubtedly depends on the affordability and accessibility of the modes of payment. Electronic payment modes require a bank account, internet tariff, and internet usage. In 2014, Prime Minister Narendra Modi announced zero-balance account for all the citizens of India under the Pradhan Mantri Jan Dhan Yojana along with RuPay Debit Cards, OD facility, etc. Banks have opened 11.50 crore accounts under the Pradhan Mantri Jan-Dhan Yojana, much higher than the targeted 10 crore. Even the success rate was acknowledged by The Guinness Book of World Records, which said: "Most bank accounts opened in one week as part of the Financial Inclusion Campaign is 18,096,130 and was achieved by the Government of India from August 23 to 29, 2014." In the area of accessibility, Indians had no problem during the study period. Jio was commercially launched on September 5, 2016, and demonetisation took place on 8 November 2016. Jio provided free internet facility to its user for a time period of approximately 6 months. These six months included the tenure of demonetization too. Thus it can be said that during

* Faculty in Economics at United School of Business Management. She can be reached at

Email: ya.lubalu.dibya@gmail.com Mobile: 7205847612.

** Jayant Kumar Nayak is a management student of United School of Business Management.

demonetization, and even before and after the demonetization for a period of three months, people had free access to internet facility. According to Kleiner Perkins Caufield Byers' (KPCB) Internet Trends report for 2017 Jio with its disruptive pricing strategy on one hand has increased competition and disruption in the mobile broadband, yet on the other hand it has been able to 'add more than 100 million customers in a matter of months'. While India ranked 150th in broadband penetration worldwide the year before, with launch of Jio, "India has become no 1 country in mobile data usage." (Mukesh Ambani, February 21, 2017, 16:01 IST, economic times). It can be assumed that the basic requirements for cashless economy have been available to the customers.

Literature Survey

The third time India demonetized on 8th November 2016, more than 80% of her currency base was affected. The government aimed to tackle black money in the economy to lower the cash circulation in the country which is directly related to corruption in our country; and to eliminate fake currency which has been used to fund terrorism in India. This was also the first time any country used demonetization as a tool for cashless transaction. The reason was obvious. Only 5% to 8% of people out of approximately 1.34 billion Indian population used electronic mode of payment. India being a cash-based economy in which 98% of the transaction by volume and 65% by value are made using cash. 82% of these cash were hold in Rupees 500 and Rupees 1000 notes, which were demonetized. This can be considered as the 'big push' towards digitalization.

Table - 1

Year	Country	Cause	Effect
1946	India	Stoping black-marketing	Not a revolutionary measure
1978	India	Controlling illegal transactions	Did not create much impact
1982	Ghana	Money laundering and corruption.	Chaos, move back to physical assets and foreign currency.
1984	Nigeria	Black economy	Economy collapsed
1987	Myanmar	Black economy	Protests and killings
1991	Soviet Union	Black economy.	Shift in political party
1993	Zaire	Increasing economic disruptions	Inflation and a collapse in the exchange rate against the dollar
2010	North Korea	Tighten control of the economy and close black markets	Economy breakdown, Starvation
2015	Zimbabwe	Inflation	Exchange crises, dropping trillion dollars to \$0.5 dollar.
2016	India	Black money, Terrorism, Cashless Economy.	No short run problems

Plastic money has the ability to remove the unaccounted transactions (Patel, 2012) thereby reducing tax evasion and illegal money laundering. India even today half heartedly welcomed the usage of plastic money (Kaur and Kaur, 2008). Earlier the use of e-payment was seen as a sign of sophistication visible within the higher income society (Prabhu, Nithya, Manivannan and Sophia, 2013), but post- demonetization the use has spread to middle and lower middle income class. Loss due to cyber insecurity, frauds and other software malpractices are mainly borne by the banking sector. This causes both monetary and non-monetary losses to the banking sector, (Sharma, 2012). Thus, there is an unwillingness for digital transactions prevailing among the parties involved, banks and customers. But the 'big push' provided by demonetisation needs to be seen.

Objective

The objectives of the paper is:

1. To study the various mode of electronic payment adopted in India.
2. To study of the volume and value of electronic transaction made in India.
3. To study the effect of recent monetary policies on usage of electronic transaction of money.

Methodology

The time period of the study is 7 months, starting from November 2016 to May 2017. The period includes the historic event of third demonetisation in India. The variables under study are – RTGS – Real time gross settlement; NEFT – National electronic funds transfer; CTS – Cheque truncation system; IMPS – Immediate payment service; NACH – National automated clearing house; UPI - Unified Payments Interface; USSD - Unstructured Supplementary Service Data; POS – Point of sale; PPI – Prepaid payment instrument. Secondary data have been collected from official website of Reserve Bank of India. Simple statistical tools like measures of central tendency and graphic methods are used to comprehend the data.

Terminology

NACH - National Automated Clearing House: National Payments Corporation of India (NPCI) has implemented "National Automated Clearing House (NACH)" for Banks, Financial Institutions, Corporates and Government a web based solution to facilitate interbank, high volume, electronic transactions which are repetitive and periodic in nature. NACH System can be used for making bulk transactions towards distribution of subsidies, dividends, interest, salary, pension etc. and also for bulk transactions towards collection of payments pertaining to telephone, electricity, water, loans, investments in mutual funds, insurance premium etc. (<http://cashlessindia.gov.in/ussd.html>)

IMPS – Immediate payment service: IMPS offers an instant, 24X7, interbank electronic fund transfer service through mobile phones. IMPS is an emphatic tool to transfer money instantly within banks across India through mobile, internet and ATM which is not only safe but also economical both in financial and non financial perspectives. (<http://cashlessindia.gov.in/ussd.html>)

CTS – Cheque truncation system: Cheque truncation is the conversion of a physical cheque into a substitute electronic form for transmission to the paying bank. Cheque truncation reduces or eliminates the physical movement of cheques and reduces the time and cost of processing the cheque clearance system. (<http://cashlessindia.gov.in/ussd.html>)

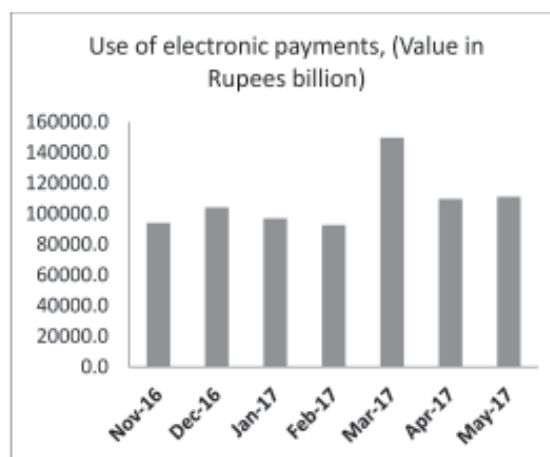
UPI - Unified Payments Interface: It is a system that powers multiple bank accounts into a single mobile application (of any participating bank), merging several banking features, seamless fund routing & merchant payments into one hood. It also caters to the “Peer to Peer” collect request which can be scheduled and paid as per requirement and convenience. (<http://cashlessindia.gov.in/ussd.html>)

USSD - Unstructured Supplementary Service Data: This payment method can be used only for small value transactions up to Rs 5000 as per RBI guidelines. The innovative payment service *99# works on Unstructured Supplementary Service Data (USSD) channel. This service allows mobile banking transactions using basic feature mobile phone, there is no need to have mobile internet data facility for using USSD based mobile banking. It is envisioned to provide financial deepening and inclusion of under banked society in the mainstream banking services. (<http://cashlessindia.gov.in/ussd.html>)

Figure - 1

Electronic payment usage in India

According to data released by the Reserve Bank of India, there was lower amount of use of digital mode of payment in India before and after demonetisation. The cash crunch during November and December pushed the citizens to adopt electronic payment modes. But after demonetisation period there is a backward movement; as data for February 2017 show an ‘accelerated pace of decline’ in electronic transactions, the reason being ‘improved cash availability’.

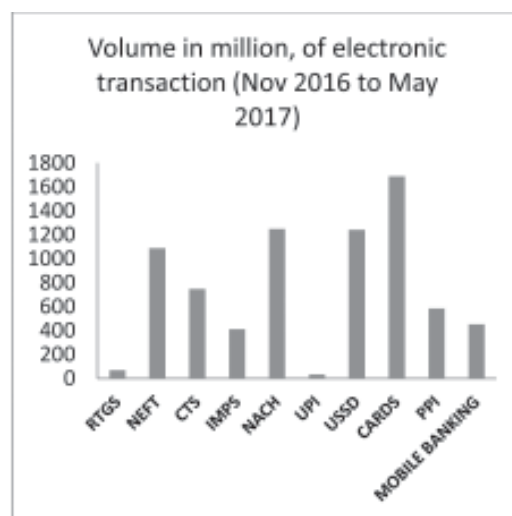


The decline in digital transactions in two successive months goes against the government's objective of a "less cash" economy. During the scarcity of funds people preferred to use debit and credit cards at point of sale terminals and mobile banking but these are also the two to be disposed of quickly. RTGS and Paper Vouchers usage fell drastically after demonetisation when compared against pre demonetisation period. The value of digital transactions in January and February taken together dropped below that of combined figure of September and October, before demonetisation was announced. To counter the negative effect and encourage digital transactions, many private banks in the month of March, reintroduced charges on transactions of cash deposits and withdrawals beyond the stipulated number of free transactions. The step yielded positive result.

Volume of electronic transactions made in India

On making a comparison between the volume (frequency) of transactions made by each mode, it is evident that credit and debit cards are more frequently used compared to RTGS or NEFT or mobile banking. This is may be because the cards can be used for cashless as well as cash withdrawal and deposits. NACH and USSD follow the sequence. Mobile banking does not appear to be well accepted by the people.

Figure - 2



Value of electronic transaction made in India

Out of all services, USSD alone is transacted 70% of the total transaction. This may be because there is no need to have mobile internet data facility for using USSD based mobile banking. The transaction limit of RTGS is generally higher than NEFT. Thus we find a reverse situation, even though in terms of frequency or volume of transaction wise RTGS is lower than NEFT but in terms of amount of money transacted it is higher than NEFT.

Relation between Volume and Value of transaction

The Pearson correlation (r) coefficient is used to measure the strength of a linear association between volume and value of the modes of payment. The value of R is 0.1692. Although technically a positive correlation, the relationship between volume and value of transaction is weak (the nearer the value is to zero, the weaker the relationship). The value of R^2 , the coefficient of determination, is 0.0286.

Table - 2

Formula:	Result Details
$r = \frac{\sum_i (x_i - \bar{x})(y_i - \bar{y})}{\sqrt{\sum_i (x_i - \bar{x})^2} \sqrt{\sum_i (y_i - \bar{y})^2}}$ <p>x is Volume in million, y is Value in Rs. billion</p>	<p>Average volume in million= 755.805 Average value rupees in billion= 257391.896</p> <p>$r = 0.1692$ $R^2 = 0.0286$ P-Value ($\alpha = 0.05$) = 0.64029 (Not Significant)</p>

Suggestions

The 'big push' towards cashless economy, which the monetary policies like demonetization process and banks' initiative to charge on cash transactions, lost its magic in no time. But it cleared many misconceptions among the policy makers. Previously it was thought that lack of technical knowledge can hinder the use of modern day gadgets and apps. This mode of thinking was proved wrong during this period. When pushed to a corner with no alternative way to come out, people are bound to fight back ignorance and learn to adapt to change. Both policies have one similarity. Both were imposed on public. If the general public could be made to choose digital payment voluntarily of their own will, then the output can be a sustainable one.

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