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Message from the Chancellor

The Symbiosis International (Deemed University) always practices and preaches the concept, 'World is One Family' – 'Vasudhaiva Kutumbakam'. It always promotes friendship, co-operation and understanding between foreign and Indian students. Symbiosis today is the premiere educational institute of Pune and brand equity in providing quality management education. The different institutes that come under the umbrella of Symbiosis International (Deemed University) are the catalysts of change which contribute to the symbiotic growth of the University.

Research gives birth to new knowledge and answers a lot of existing questions. Such initiatives are a plethora of knowledge and contribute to the prevalent research culture in the university. I would like to congratulate the entire team of SCMS on the launch of their Sixth Journal – "Annual Research Journal of SCMS–Pune" on the theme *Relevance of Research in Management Studies*. This initiative taken by SCMS Pune will take it forward by leaps on the path of recognition and reputation. I wish them good luck and success in all their endeavors.

Prof. Dr. S.B. Mujumdar
(Awarded Padma Bhushan and Padma Shri by President of India)
Founder & President, Symbiosis,
Chancellor, Symbiosis International University

Profile of the Pro-Chancellor

Dr. Vidya Yeravdekar is the Pro Chancellor of Symbiosis International (Deemed University). She is also the Principal Director of Symbiosis Society, which encompasses the Symbiosis schools and institutions under the Symbiosis International (Deemed University). A dream of her father, Dr. S .B Mujumdar, Founder and President of Symbiosis of creating 'a home away from home ' for international students, Symbiosis today, has transformed itself into a multi-disciplinary, multinational, multi-cultural International University having students from all states of India and international students from 85 different countries. The University has institutes under 7 faculties viz. Management, Law, Humanities & Social Sciences, Health & Biological Sciences, Computer Studies, Engineering, Media Communication & Design.

Dr. Vidya holds a Post Graduate Degree in Medicine, a degree in Law and is a Ph.D. in 'Internationalization of Higher Education in India’. To promote international understanding through quality education, she has brought in innovative approaches at Symbiosis International (Deemed University) through international collaborations with some of the top Universities in the world.

Dr. Vidya has been able to influence policy regulations for promoting and bringing in innovative approaches to higher education in India through her appointments on various governmental bodies. She has been a member of University Grants Commission (UGC), Central Advisory Board of Education (CABE) and Indian Council for Cultural Relations (ICCR). She is member on the Board of several organisations like Indian Institute of Corporate Affairs, Yeshwantrao Chavan Maharashtra Open University, Rayat Shikshan Sanstha, Symbiosis University of Applied Sciences, Indore, Symbiosis Skills and Open University, Pune, State Knowledge Advisory Board of Higher Education, Government of Andhra Pradesh, Sub-Group on Higher & Technical Education and Skill Development of Chief Minister’s Advisory Council,

Government of Rajasthan, Task Team of Arts Management Strategy for Karnataka,
Research Committee of the Association of Indian Universities (AIU) and Public Health Foundation of India

She is a member of many corporate bodies such as Federation of Indian Chambers of Commerce & Industry (FICCI), Confederation of India Industry (CII), and Not for profit organisations like

HK Firodiya Foundation, India International Centre (IIC), Pune International Centre (PIC) & Pune Citizens Police Foundation (PCPF).

Dr. Vidya has been appointed as an Independent Director on the Board of RITES Limited under Ministry of Railways, Government of India.

Recently, Dr. Vidya has been appointed as Chairperson of the FICCI Committee on Higher education in 2018.

Dr. Vidya has presented papers at various National & International Conferences and has numerous research publications to her credit. She has authored a book on 'Internationalization of Higher Education in India' based on her experiences and research in this field. This book is published by SAGE.

Dr.Vidya's hard work has won her numerous awards and accolades and she is now focused on making Symbiosis International (Deemed University) benchmarked amongst one of the best Universities in Asia.

Profile of Vice Chancellor

Dr. Rajani Gupte is the Vice Chancellor of the Symbiosis International (Deemed University). A distinguished academic, she received her Doctorate degree in Economics from the prestigious Gokhale Institute of Economics and Politics, Pune. She has been actively engaged with higher education for over thirty years, both as a professor and researcher. She has taught at many foreign universities as well, including the Oakland University, Michigan, US, and Bremen University of Applied Sciences, Germany.

She has been a part of the leadership team at Symbiosis for over two decades. She joined Symbiosis as a founding member of the Symbiosis Institute of International Business in 1992. She was the Director of the Institute between 2004 and 2012. Her headship led the Institute to be established as one of the top-ranking business schools in India. A capable institution-builder, Dr. Gupte has also earlier held the positions of Dean- Faculty of Management, Dean-Academics and Pro-Vice Chancellor at the Symbiosis International (Deemed University).

She is an independent Director on the Board of L& T Finance Limited and L& T Housing Finance Limited. She has been frequently invited on committees of important organizations, such as International Trade Panel - Confederation of Indian Industries (CII), World Trade Organization Committee, Govt. of Maharashtra, and Chemtech World Expo. She has also served on committees appointed by the UGC and on working groups on higher education.

Dr. Gupte is one of the ten women selected from across Asia who have attended the 'Women in University Administration programme' sponsored by the U.S. Department of State.

Recently, she was invited to be a part of a committee of eminent economists formed by NITI Aayogto interact with the Honorable Prime Minister on "Economic Policy: The Road Ahead."

Dr. Gupte has received several awards for her outstanding contribution to Education-

The Lokmat National Education Leadership Awards2015, the "Swayamsidha Puraskar 2015" by Lions Club of Pune Elite, the 'Think Pure Award' by the 'Think Pure Social Welfare Foundation' in 2016, For being one of the most influential Vice Chancellors amongst the top 100 Vice Chancellors in India by the World Education Congress award in2016, "The Iconic Leader Award - Creating a better world for all" at the WOMEN ECONOMIC FORUM 2017 and a "Visionary Eduleader of India" for being an institution builder at the hands of Shri Pranab Mukerjee, Former President of India.

From the Director's Desk

It gives me great pleasure to present the Sixth volume of Annual Research Journal of SCMS, Pune.

The theme for the journal this time is '**Relevance of Research in Management Studies**'. Research in management sciences helps one to gain new knowledge, expand and testify existing knowledge. It is the inquisitive questioning minds which have been instrumental in bringing out most of the breakthrough progress in any field. Management as a science has heavily borrowed from many disciplines, which makes management research inter disciplinary.

This journal is an attempt to contribute towards building an academic knowledge base by a compilation of well researched and peer reviewed articles. The articles are well articulated and substantive and have tried to address the broad theme of the journal.

I also extend my gratitude to all authors, editors and reviewers who have provided support at all stages. I also welcome suggestions that would help us improve the quality of our Journal.

Dr. Adya Sharma

Director,

SCMS, Pune

From the Editorial Desk

Undertaking research in dynamic fields like business and management opens a world of new opportunities, impacting solutions to many management issues cutting across the world. Business and management research is a systematic inquiry that helps to solve business problems and contributes to the existing literature on management fundamentals, which is transdisciplinary/ multidisciplinary in approach. In any field of study, with research further growth is guaranteed. The journal received papers relating to diverse fields trying to show the relevance of research in management studies

Dr. Dhiraj Jain in his study offers an agenda for future research on important Indian corporate governance and auditing issues, and briefly addresses the accounting practice implications.

Miss Eesha Pathak & Dr. Sharmiladevi discuss the refugee crisis in today's world. A timeline of refugee crisis from 1914 to 2012 is discussed. The study looks into few dimensions of the refugee issues like origin and nature and assesses the current refugee situation across the major part of the world.

Mr. Felix Ruben Rau a Semester Exchange student from Berlin School of Economics and Law studies the existent climate of international relations between Germany and India, discuss about the different areas where both the counties have good cultural and political relations and also focuses on few areas where both countries could come forward for a better understanding in future.

Prof. Nishant Khandelwal and ***Dr. Anil Mehta*** conceptually explain how love could be effectively used to build leadership under a divine paradigm. In this study the authors intend to universalize and simplify the task of understanding 'leadership' and suggest practicing the competency of 'love' which is different from physical attraction and expressed in psychological, emotional, spiritual & philosophical forms, as a native way to lead. It proposes thirteen fundamental principles which cover various motives, traits, attitudes, behaviour and actions of a leader which may come under the competency of love.

Dr. Yogesh Pisolkar and Dr.Navendu Chaudhary present the coastal tourism scenario, perceived risks and need for wellness tourism along the Malvan coast and the need to design specific strategies and creation of awareness to integrate local stake holders for development of wellness tourism in the Malvan cost of Sindhudurg district, Maharashtra

Prof. Sajeesh Hamsa, Dr. Archana Singh and Prof. Nehajoan Panackal studied the effects of Social Networking Sites on the younger world of cybercrime. The purpose of the study is to understand the common cybercrimes experienced by individuals and to know about the level of awareness amongst the youth.

Miss Eesha Pathak talks about the various inadequacies of Gross Domestic Product as an instrument for measuring well-being and suggests alternative measures like Better-life Index in place of Gross Domestic Product.

Aditya Gopal Kovvali, Madhav Mahajan and Chaitanya Joon studied speed hiring, which makes use of a 12-minute test to test the cognitive ability of prospective candidates after which suitable candidates are chosen. This study scrutinizes speed hiring by using pre-existing literature on it.

Zulfa Shan Bhat studied the benefits of social advertising for business and social change and its productive utilization.

Jaysing Bhosale and Sushil Mavale studied the volatility of various crypto-currencies and gave suggestions with respect to taking investment exposures in them.

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Perceptions Over the Audit Committee Practices in the Context of Corporate Governance: Evidence from India

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Abstract

Over the past two decades, the corporate governance role in accounting and auditing has grown rapidly. The corporate governance focus is primarily on corporate board and audit committee issues. The study offers an agenda for future research on important Indian corporate governance and auditing issues, and briefly addresses the accounting practice implications. There are many measures to put corporate governance (CG) in place and practice, an important tool essential for the success is the efficacy and effective functioning of an audit committee (AC). Being mandatory under SEBI's clause 49 of the listing agreement, an AC can be of great help to the board in implementing, monitoring and continuing 'good' CG practices to the benefit of the corporation and all its stakeholders. The study is carried out for the period 2004–2011 because many improvement initiatives of CG were undertaken during the period. We augment our knowledge on audit committee by understanding its role, responsibilities in audit, internal control and the financial reporting process.

A proficient boards result in better governance, as the literature on the subject generally suggests, engaging independent directors and having in place an effective audit committee and an internal and external auditor would certainly facilitate productive corporate functioning and enhanced accountability.

Keywords: corporate governance, audit committee, internal auditor, external auditor

Introduction

Starting with the end of 20th century and the beginning of 21st century there had been a significant number of corporate collapses with significant adverse effects on the economy of several countries, in spite of presenting the fact of information through the financial statements and the annual reports were so far showing the preventing signs of the forthcoming financial disasters. All these negative effects had generated a lot of questions about the corporate governance effectiveness, starting from the premises that “a lack of effective corporate governance meant that such collapses could occur; good corporate governance could help prevent such collapses happening again and restore investor confidence” (Mallin, 2010).

Though auditing practices have an influence on corporate governance, not much study were done on the application of auditing practices in India and their influence on Corporate Governance (CG). The audit committee and its responsibilities had begun to be in the centre of various organisations’ interests, mostly under the perspective of the relationships between audit committees, internal auditor and external auditor and the roles and responsibilities of the audit committee in enhancing the quality of the corporate governance system. It has been widely recognised that the role of the internal auditor becomes increasingly more important in terms of creating good corporate governance structures. It is argued that an effective internal audit function enables the board to perform its corporate governance duties (Zhang, 2009). The necessity to investigate the way that audit committee interacts with the internal and external auditor was increasingly growing, all these being resulted in developing different studies focused on the way that Audit Committee (AC) interacted with the internal auditor, and sometimes with the external auditor also. Trying to synthesize the findings of these studies into a general idea, there could be noticed the intensification of the relationships between audit committee and the internal and external auditor and as long as the premises for a good corporate governance will be ensured, the connections that should exist between audit committee with Internal audit and external audit are also highlighted as a key element in the process of ensuring the corporate responsibility and governance. The purpose of the study was to get a view from the Indian auditors’ perspective with regard to the audit committee good practices, test the real applicability of the audit practices and try to obtain other proposals of good audit committee practices.

Review of Literature

(Stuart Turley, 2014) analyzed the impact of audit committees and described, identified potential perceived effects which may have led to their adoption and documented effects on aspects of the audit function, on financial reporting quality and on corporate performance. It was also shown that most of the existing research had focused on factors associated with audit committee existence, characteristics, and measures of activity and there was very little evidence on the processes associated with the operation of audit committees and the manner in which they influence organizational behavior. It was clear that there was no automatic relationship between the adoption of audit committee structures or characteristics and the achievement of particular governance effects, and caution may be needed over expectations that greater codification around factors such as audit committee members' independence and expertise as the means of "correcting" past weaknesses in the arrangements for audit committees. **(Marc Eulerich, 2013)** found that internal audit function (IAF) within companies' corporate governance framework in the European Union (EU) were scarce. **(Chaudhry Ghafran, 2013)** found that larger and more independent audit committees as well as those with financial expertise were more likely to seek a higher level of external audit coverage and assurance. There was also evidence that more independent audit committees were associated with the purchase of lower levels of non-audit services from auditors, thereby seeking to preserve the independence of the external audit process. There seems a consensus that more independent audit committees and those with greater accounting/financial expertise had a positive impact on the quality of financial statements. **(Dominic S.B. Soh, 2011)** suggested that performance evaluation mechanisms of internal audit (IA) have not evolved contemporaneously. The misalignment between the role and evaluation gives rise to difficulty in assessing the extent to which IA functions were meeting stakeholders' expectations. (Joseph V. Carcello D. R., 2011) studied that corporate governance literature in accounting and auditing had grown rapidly. To better understand this body of work, they discussed 12 recent literature review or meta-analysis papers and summarize selected results (i.e., clusters of papers with new and interesting results) from recent empirical research papers, after reviewing the findings of over 250 studies. Our corporate governance focus was primarily on corporate board and audit committee issues. **(Jawaher Al-Mudhaki, 2004)** examined the composition, focus and functions of audit committees (ACs), the effects of meetings and the criteria used in the selection of members by Indian listed companies. The study revealed that only 56.2% of the companies had established an AC despite the fact that it is now mandatory. **(Joseph V. Carcello, 2011)** summarized selected results from recent empirical research papers, after reviewing the findings. In particular, they made suggestions for: (1) improved research paradigms in corporate governance, (2) extensions of existing research, and (3) new or emerging lines of research. **(R. Narayanaswamy, 2012)** provided a brief overview of corporate governance in India, including a description of Indian contextual differences (as compared to the U.S. and elsewhere) and a discussion of the major events contributing to the evolution of India's corporate governance/accounting/auditing practices. **(Asish K Bhattacharyya, 1988)** discussed that in order to protect the large investor base, SEBI has enforced a regulation effective from April 2001, requiring mandatory disclosure of information and a change in the corporate governance mechanisms of the listed companies. **(Madan Lal Bhasin, 2012)** found that AC is being looked upon as a distinct culture for CG and had received wide–publicity across the globe. This study was performed a 'content' analysis on the AC reports of the top 500 listed companies in India to determine the information content of these reports and the extent to which these reports conformed to the requirements of the SEBI. **(Nisha Kohli, 2008)** analysed the impact of CG mechanisms on valuations of selected companies in FMCG and IT sectors in India. Results obtained showed an overall strong significant relationship between CG and market value of a firm. **(Kumar, 2012)** examined the AC as a CG mechanism, demystifying the myths and realities associated with it. It concluded that there was a need for greater scrutiny to understand the process to make it further effective. **(Gill, 2013)** unravelled the reporting quality and performance of the Indian central public sector enterprises (CPSEs) and its private counterparts. **(F. Todd DeZoort, 2001)** indicated that greater independent director experience and greater audit knowledge was associated with higher audit committee member support for an auditor who advocated a “substance over form” approach in the dispute with client management. Conversely, concurrent experience as a board director and a senior member of management was associated with increased support for management. The results provide justification for calls that audit committees be composed completely of independent directors. The results also supported auditor concerns that varying knowledge levels lead to systematic differences in audit committee member judgments in disputes between auditors and management. **(Kolk, 2008)** examined to what extent and how current sustainability reporting of Fortune Global 250 companies incorporates corporate governance aspects. Many multinationals, particularly in Europe and Japan, had started to pay attention to board supervision and structuring of sustainability responsibilities, to compliance, ethics and external verification. While detailed disclosures were not yet common, some notable practices could be found. Underlying dilemmas and complexities for managers in dealing with accountability to shareholders and stakeholders, and the role of auditors, were indicated. **(Mahbub Zaman, 2004)** found that there was no automatic relationship between the adoption of audit committee structures or characteristics and the achievement of particular governance effects, and caution may be needed over expectations that greater codification around factors such as audit committee members' independence and expertise as the means of "correcting" past weaknesses in the arrangements for audit committees. The most fundamental question concerning what difference audit committees make in practice continues to be an important area for research development. **(Mark S. Beasley, 2000)** provided initial evidence that the fraud companies in the technology and health-care industries have fewer audit committee meetings, and fraud companies in all three industries have less internal audit support. **(Jeffrey Cohen, 2002)** indicated a range of views with regarding the elements included in the rubric of "corporate governance". Most significantly, auditors view management as the primary driver of corporate governance. The inclusion of top management in the "corporate governance mosaic" was inconsistent with agency theory's prescription of the board and other mechanisms serving as a means to independently oversee management's actions to protect stakeholders. Auditors consider corporate governance factors to be especially important in the client acceptance phase and in an international context. **(Paul Collier, 2005)** showed that there has been a degree of convergence towards an Anglo-Saxon model of corporate governance as the audit committee concept was widely accepted in countries with both unitary and two-tier governance systems. Further, the latest audit committee recommendations in countries that had issued several governance codes showed a strengthening of the recommendations for an audit committee over time in line with the Anglo-Saxon audit committee concept and convergence with the debate in the US and UK on issues such as the independence and financial expertise of members. **(Vera-Munoz, 2005)** studied the **c**omprehensive regulatory changes brought on by recent corporate governance reforms had broadly redefined and re-emphasized the roles and responsibilities of all the participants in a public company's financial reporting process. Most notably, these reforms had intensified scrutiny of corporate audit committees, whose role as protectors of investors' interests now attracts substantially higher visibility and expectations. As a result, audit committees face the formidable challenge of effectively overseeing the company's financial reporting process in a dramatically changed and highly charged corporate governance environment. The study discussed the new expectations of audit committee responsibilities and effectiveness in the wake of corporate governance reforms, key challenges, "whistleblower" provisions and shortcomings, and provides some directions for future research.

Research Gap

While the key trends were being reviewed from the literature review available, it was observed that not much had been studied about the "Perceptions over the Audit Committee Practices in the Context of Corporate Governance in India". Thus, the study was initiated with the following objectives in mind. From the above review it was observed that though there were studies performed, on this topic all over the world, but in India, the researchers have not focused on the impact of Audit Practices in the context of Corporate Governance in India.

Objective of The Study

- To get a view from the Indian auditors' perspective with regard to the audit committee good practices.
- To test the real applicability of the audit practices.
- To try to obtain other proposals of good audit committee practices.

Hypothesis framed for the Study

Ho_1	There is no significant influence of the age over the role and responsibility of the audit committee.
Ho_2	There is no significant influence of the age over the role and responsibility of the internal auditor.
Ho_3	There is no significant influence of the age over the role and responsibility of the external auditor.
Ho_4	There is no significant influence of the job experience over the role and responsibility of the audit committee.
Ho_5	There is no significant influence of the job experience over the role and responsibility of the internal auditor
Ho_6	There is no significant influence of the job experience over the role and responsibility of the external auditor.

Research Methodology

The scientific research of this current study is of fundamental type, under the influence of mainstream research approach. It studies the audit committee's role and responsibilities in the context of corporate governance. The main goal is to highlight the Indian auditors' perception over the audit committee practices in corporate governance's area. The following table summarises the various audit committee practices identified for the study.

Table 1

S. No.	The audit committee practices taken within this study
AC 1	The audit committee may adopt a "revolving door" policy which refers to the requirement of certain restrictions with respect to the employment in some positions like financial manager by some persons who were previously members of the internal audit or external audit team.
AC 2	The audit committee should monitor the compliance with the legal framework applied, including the ethical code specific for this company.
AC 3	The audit committee should understand clearly the way that the internal control system works, and should monitor its effectiveness regularly together with internal and external auditors.
AC 4	The audit committee should review together with the external auditors and executive management not only the accounting policies applied by the company but also the quality of professional judgements and accounting estimates made by the management.
AC 5	The audit committee should know very well the company risk profile and monitor the effectiveness of risk management process.
AC 6	The audit committee is responsible with the selection, appointing and dismissing the chief audit executive within the company.
AC 7	The audit committee is invested with the authority by the board in order to be able to fulfil its role as a major factor for the increasing quality of information provided to both internal and external users of financial statements
EA 1	The audit committee reviews with the external auditors and executive management the entity's financial statements, and based on the external audit's conclusions

	following to make a recommendation to the board for these financial statements to be approved and published.
EA 2	The audit committee makes the proposals/recommendations for the selection of external audit firm, being responsible for supervising the entity's relationships with the external auditors.
EA 3	The audit committee should know the assessment of internal audit activity made by the external audit.
IA 1	The audit committee monitors the internal audit's position within the company, so that internal audit be so placed in the hierarchical structure so as to have ensured the necessary independence for the achievement of its objectives.
IA 2	The audit committee monitors that internal audit to have the full access to the whole personnel and the entire documentation within the company.
IA 3	The audit committee has periodical meetings with the internal audit department in order to be informed over the internal audit activity's results.
IA 4	The audit committee should report to the board main results over the effectiveness of internal audit activity, its capabilities and its results.
IA 5	The audit committee charter is complementary with the internal audit charter.
IA 6	The audit committee examines the recommendations made by internal audit for improving corporate governance and internal control system, looking for the best solutions.
IA 7	The audit committee assesses the way that internal audit achieves its objectives with respect to disclosure and transparency.
IA 8	Following the findings and recommendations issued by internal audit, the audit committee will report to the board the main illegal acts and irregularities found during the audit missions.
IA 9	The audit committee should provide the necessary framework to encourage the effective communication between internal audit, external audit, board and executive management, for ensuring good corporate governance.

A total of 150 questionnaires were distributed among the various CAs and professionals practicing audit and other related activities. The questionnaire consisted of structured close-ended questions. Of the 150 questionnaires, 109 responses were received. This represents an effective response rate of around 72.67% of the total sample. Statistical methods were used to give a general picture about the results of this study.

Data Analysis and Interpretations

H_{01}: There is no significant influence of the age over the roles and responsibilities of the audit committee.

Table 2 (ANOVA)

		Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
AC 1	Between Groups	.004	1	.004	.004	.952
	Within Groups	126.601	107	1.183		
	Total	126.606	108			
AC 2	Between Groups	.211	1	.211		
	Within Groups	78.230	107	.731	.288	.592
	Total	78.440	108			
AC 3	Between Groups	2.563	1	2.563		
	Within Groups	151.676	107	1.418	1.808	.182
	Total	154.239	108			
AC 4	Between Groups	.014	1	.014		
	Within Groups	55.252	107	.516	.027	.869
	Total	55.266	108			
AC 5	Between Groups	.461	1	.461	.739	.392
	Within Groups	66.732	107	.624		

	Total	67.193	108			
AC 6.	Between Groups	.000	1	.000	.000	1.000
	Within Groups	86.000	107	.804		
	Total	86.000	108			
AC 7	Between Groups	.451	1	.451	.352	.554
	Within Groups	136.834	107	1.279		
	Total	137.284	108			

Interpretation

The null hypothesis has been accepted in all the cases indicating no significant association between the age of the respondents and the responsibilities of the audit committee.

H_{o2}: There is no significant influence of the age over the perception towards the roles and responsibilities of the internal auditor.

Table 3

		Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
IA 1	Between Groups	2.130	1	2.130	1.755	.188
	Within Groups	129.870	107	1.214		
	Total	132.000	108			
IA 2	Between Groups	.007	1	.007	.015	.902
	Within Groups	49.754	107	.465		
	Total	49.761	108			
IA 3	Between Groups	.100	1	.100	.083	.774
	Within Groups	128.671	107	1.203		
	Total	128.771	108			

IA 4	Between Groups	.090	1	.090	.189	.665
	Within Groups	51.047	107	.477		
	Total	51.138	108			
IA 5	Between Groups	7.501	1	7.501	3.590	.061
	Within Groups	223.563	107	2.089		
	Total	231.064	108			
IA 6	Between Groups	6.040	1	6.040	4.830	.030
	Within Groups	133.813	107	1.251		
	Total	139.853	108			
IA 7	Between Groups	.818	1	.818	.737	.392
	Within Groups	118.741	107	1.110		
	Total	119.560	108			
IA 8	Between Groups	1.260	1	1.260	2.456	.120
	Within Groups	54.923	107	.513		
	Total	56.183	108			
IA 9	Between Groups	.808	1	.808	.903	.344
	Within Groups	95.797	107	.895		
	Total	96.606	108			

Interpretation

From the above it can be concluded that the null hypothesis has been accepted in almost all the cases indicating no significant association between the age and the perception towards the roles and responsibilities of the internal auditor. But in case of looking for solutions for improving the CG and the internal control system, the null hypothesis was rejected indicating a significant association. i.e., the age of the respondents have a significant role to in the perception towards finding a solution for improving the CG practices for the internal control system.

Ho3: There is no significant influence of the age over the perception towards the roles and responsibilities of the external auditor.

Table 4

		Sum of Squares	df	Mean Square	F	Sig.
EA 1	Between Groups	5.480	1	5.480	3.826	.053
	Within Groups	153.254	107	1.432		
	Total	158.734	108			
EA 2	Between Groups	2.231	1	2.231	2.690	.104
	Within Groups	88.741	107	.829		
	Total	90.972	108			
EA 3	Between Groups	.015	1	.015	.007	.933
	Within Groups	229.746	107	2.147		
	Total	229.761	108			

Interpretation

The null hypothesis has been accepted in all the cases implying no significant association between the age of the respondents and the perception towards the roles and responsibilities of the external auditor. Age of the respondents does not affect the perception towards the roles and responsibilities of the external auditor.

Ho4 There is no significant influence of the job experience over the perception towards the roles and responsibilities of the audit committee.

Table 5

		Sum of Squares	df	Mean Square	F	Sig.
AC 1	Between Groups	16.257	2	8.128	7.808	.001
	Within Groups	110.349	106	1.041		
	Total	126.606	108			
AC 2	Between Groups	1.482	2	.741	1.021	.364
	Within Groups	76.958	106	.726		
	Total	78.440	108			

AC 3	Between Groups	5.657	2	2.828	2.018	.138
	Within Groups	148.582	106	1.402		
	Total	154.239	108			
AC 4	Between Groups	5.685	2	2.843	6.077	.003
	Within Groups	49.581	106	.468		
	Total	55.266	108			
AC 5	Between Groups	12.986	2	6.493	12.697	.000
	Within Groups	54.207	106	.511		
	Total	67.193	108			
AC 6.	Between Groups	28.378	2	14.189	26.101	.000
	Within Groups	57.622	106	.544		
	Total	86.000	108			
AC 7	Between Groups	17.121	2	8.561	7.552	.001
	Within Groups	120.163	106	1.134		
	Total	137.284	108			

Interpretation

It was found that no significant association existed between the job experience of the respondents and the perception towards monitoring the compliance with the legal framework applied including the ethical code understanding the way the internal control system works.

Ho5: There is no significant influence of the job experience over the perception towards the roles and responsibilities of the internal auditor.

Table 6

		Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
IA 1	Between Groups	16.143	2	8.072	7.385	.001
	Within Groups	115.857	106	1.093		
	Total	132.000	108			

IA 2	Between Groups	5.649	2	2.825	6.788	.002
	Within Groups	44.112	106	.416		
	Total	49.761	108			
IA 3	Between Groups	32.500	2	16.250	17.893	.000
	Within Groups	96.270	106	.908		
	Total	128.771	108			
IA 4	Between Groups	11.773	2	5.887	15.851	.000
	Within Groups	39.364	106	.371		
	Total	51.138	108			
IA 5	Between Groups	131.453	2	65.726	69.941	.000
	Within Groups	99.612	106	.940		
	Total	231.064	108			
IA 6	Between Groups	11.578	2	5.789	4.784	.010
	Within Groups	128.275	106	1.210		
	Total	139.853	108			
IA 7	Between Groups	12.216	2	6.108	6.032	.003
	Within Groups	107.343	106	1.013		
	Total	119.560	108			
IA 8	Between Groups	.369	2	.185	.351	.705
	Within Groups	55.814	106	.527		
	Total	56.183	108			
IA 9	Between Groups	8.249	2	4.125	4.948	.009
	Within Groups	88.356	106	.834		
	Total	96.606	108			

Interpretation

From the above it can be concluded that the null hypothesis has been rejected in almost all the cases indicating a significant association between the job experience and the perception towards the roles and responsibilities of the internal auditor. The null hypothesis was accepted only in case of the perception towards the reporting of the main illegal acts and irregularities found during audit missions indicating no significant association.

Ho_6: There is no significant influence of the job experience over the perception towards the roles and responsibilities of the external auditor.

Table 7

		Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
EA 1	Between Groups	45.063	2	22.531	21.011	.000
	Within Groups	113.671	106	1.072		
	Total	158.734	108			
EA 2	Between Groups	6.516	2	3.258	4.089	.019
	Within Groups	84.457	106	.797		
	Total	90.972	108			
EA 3	Between Groups	51.959	2	25.979	15.488	.000
	Within Groups	177.803	106	1.677		
	Total	229.761	108			

Interpretation

As the null hypothesis has been rejected in all the cases, it can be concluded that there is a significant association between the job experience of the respondents and the perception towards the roles and responsibilities of the external auditor i.e., the job experience of the respondents

Conclusions

The age does not affect the perception towards the roles and responsibilities of the external auditor and the internal auditor but affects the perception towards the roles and responsibilities of the audit committee. Therefore, it shows that senior & experienced professionals should be a part of the audit committee. They can be included in the internal and external audit but have to be a part of the audit committee. The job experience of the respondents affects the perception towards the roles and responsibilities of the external and internal auditor and the audit committee. Other factors also effect the perception towards the roles and responsibilities of the audit committee practices

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Refugee Crises around the World Today

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Abstract

According to the United Nations High Commissioner for Refugees (UNHCR), there are 65.6 million refugees, internally displaced persons (IDPs), and asylum seekers across the world. One in every 113 people on Earth has now been driven from their home by persecution, conflict and violence or human rights violations. Roughly 50% of all refugees are children under the age of 18 – despite the fact that children only make up about 30% of the world's population. The number of refugees has nearly doubled in the past 20 years. We live in a rapidly changing world in which refugees and forced migration have a significant impact on the economic, political and social agendas of sovereign states, intergovernmental agencies and civil society groups. Refugees have been the focus of considerable public concern in recent years and of a range of government and community responses. This conceptual paper makes an attempt to look into few dimensions of the refugee issues like origin and nature and assess the current refugee situation across the major part of the world. Although there is no single or set of solutions to overcome and face the refugee crisis, some practical solutions have been suggested from the academic point of view.

Keywords: refugees, internally displaced persons, asylum seekers, persecution, conflict, human rights.

Introduction

Motivation for choosing the topic

With the plight of Rohingyas coming up in the news, and the endless agony being faced by those displaced as a result of the conflict in the Middle-East and Africa, I was motivated to undertake this study. I did not stick to only one conflict zone, and chose to briefly study the conflicts all over the world, because all other conflicts are not getting enough media attention, with only a few being in focus.

Origin and Nature

As per Merriam-Webster, the word refugee came directly from the French word *réfugié* with a very specific meaning: it referred to Protestants who fled France following the revocation in 1685 of the Edict of Nantes, the law that granted religious liberty and civil rights to the Protestant Huguenots for nearly a century. Within a decade, *refugee* was being used more generally in English to refer to anyone who was forced to flee to a place of safety, often because of danger or persecution because of religious or political beliefs. 24 people per minute – this is the number of people that flee their homes fearing persecution and war, in hopes of a better and safer place elsewhere. This number amounts to 34,000 people per day. This means, every day, 34,000 new people get characterised as refugees (www.care.org, N.A.).

When persecution, war or violence forces a person to flee his or her own country, that person becomes characterised as a refugee. A refugee has a well-grounded fear of persecution due to his or her race, religion, political opinion, nationality or allegiance towards a particular social group. Many of these refugees either cannot return home or are under a constant fear of doing so. Apart from 'refugee', another term we all have come across today is 'Internally Displaced Person (IDP)'. An IDP is a person who, due to the same reasons as those of refugees, has fled his or her home but has not crossed international borders. As a result, an IDP remains within his or her own country. One of the major flaws in the international legal system is that it does not recognize and protect IDPs and hence makes them ineligible to receive many types of aid. (www.care.org, N.A.)

The problem of protecting and assisting IDPs is not a new issue. In international law it is the responsibility of the government concerned to provide assistance and protection for the IDPs in their country. However, as many of the displaced are a result of civil conflict and violence or where the authority of the central state is in doubt, there is no local authority willing to provide assistance and protection. It has been estimated that some 5 million IDPs in 11 countries are "without any significant humanitarian assistance from their governments". Under these circumstances rehabilitation policies on humanitarian grounds should be aimed at reducing inequality of opportunity among these vulnerable groups by integrating them into local social services and allowing them access to jobs, education, and healthcare opportunities; otherwise new conflicts might break out

Unlike the case of refugees, there is no international humanitarian institution which has the overall responsibility of protecting and assisting the refugees as well as the internally displaced. A number of organizations have stepped into the breach in specific circumstances. The Office of the United Nations High Commissioner for Refugees (UNHCR) was mandated by General Assembly Resolution 428 (V) of 14 December 1950 to “lead and coordinate international action for the worldwide protection of refugees and the resolution of refugee problems. guided by the 1951 United Nations Convention Relating to the Status of Refugees and its 1967 Protocol. The refugee phenomenon is not novel and the current refugee crisis is definitely not unprecedented. The following is a timeline of the various refugee crises the world has seen since the First World War.

Timeline of the refugee crises across the world: -

1914-1918 **World War 1**

- Roughly 8 million people of the Russian Tsar fled their homes

1938-1949 **Japanese Invasion of China and Chinese revolution**

- 90 million displaced

1939-1945 **World War 2**

- 60 million people displaced in Europe

1947 **Partition of India**

- 14.5 million displaced in India and Pakistan

Since 1948 **Israel Palestine Conflict**

- 5.1 million Palestenian refugees have fled their homes

1949 **Chinese Revolution**

- 90 million displaced due to the revolution that created the People's Republic of China

1950-1953 **Korean War**

- 1 to 5 million refugees fled

1955-1975 **Vietnam War**

- 3 million displaced

Since 1979 **Wars in Afghanistan**

- 2.6 million have fled Afghanistan

Since 1991 **Somalia**

- 1.1 million displaced

1994 **Democratic Republic of Congo**

- 3.5 million have been displaced

Since 2003 **Iraq**

- 4 million displaced

Since 2011 **Syria**

- 4 million have fled the country and 7.6 million have been internally displaced

2012 **Myanmar**

- 479,000 have been displaced

Source: (The Hindu, 2015)

Literature Review

Gatrell, (2017) talks about what makes up the definition of a "refugee". He talks about how there has not been enough media attention towards certain fractions of refugees along with their wrong portrayal as those who have lost everything or are incapable of contributing productively to the host country. This article also gives a glimpse into the history of the refugee crisis – all the way from World War 1 to the Rohingyas. This article also throws light on the international response on the crisis and the various international institutions set up over the years that help in dealing with the crisis – League of Nations, United Nations Refugee Convention and the United Nations High Commissioner for Refugees.

Caryl, (2016) gives an overview about how low- and middle-income countries are housing most of the refugees today, some of them being Jordan, Turkey, Pakistan and Ethiopia. The author talks about how the world's richest countries like USA, Canada and Japan are protected from the refugee crisis because of their geographical location. He urges these countries, along with the aforementioned ones, to adopt a global approach to solving the refugee crisis.

Wildman, (2017) focuses more on Donald Trump's stance on the refugee crisis and the signing of the executive order banning immigrants from seven Muslim-majority countries. The author throws light on these topics – definition and numbers of refugees worldwide, number of refugees that have entered USA, the vetting process for their entry into the USA, what the refugees are fleeing from, etc.

Helen Clark, (2016) states some statistics on the refugee crisis. It also talks about the United Nation's 2030 Sustainable Development Goals and how the international community's approach is not up to the mark. The authors urge changes to be made in the political and economic scenario surrounding this topic. Slaughter, (2015) – This article talks about how the debate by USA and Europe on the fear of terrorists entering their countries as refugees is a flawed one. The author states that limited asylum quotas and temporary refugee camps are not the solution to the existing problem; there need to be places/cities that can house millions of refugees. The author illustrates this by giving the example of Naguib Sawaris who plans to settle hundreds of thousands of refugees on two Greek islands he owns. She also talks about how countries can build cities to house these refugees.

Khasru, (2017) throws light on the various structural flaws in the international organisations which limits their effectiveness. The author focuses more on the defects in United Nations High Commissioner for Refugees and International Organisation for Migration and suggests solutions for the same. Silva, (2017) indicates how countries are not using their funds to help refugees and war-torn countries in the way intended. Due to this, the economic burden of supporting the refugees falls on the low- and middle-income countries in which these refugees seek asylum.

Deva,(2017) – this article throws light on the fact that we as people are not handling the refugee crisis in a proper manner. Simply absorbing the refugee flows into a country is not a solution; it is only through the observation of the root causes of this crisis that will help in alleviating the problem. The author talks about a financial model – blending of public, private and charitable contributions and mobilisation of the same. Ros, (2017) gives 15 astounding statistics on the refugee crisis around the world up-to 2017. This includes the total number of refugees, countries from which they originate and settle into, etc.

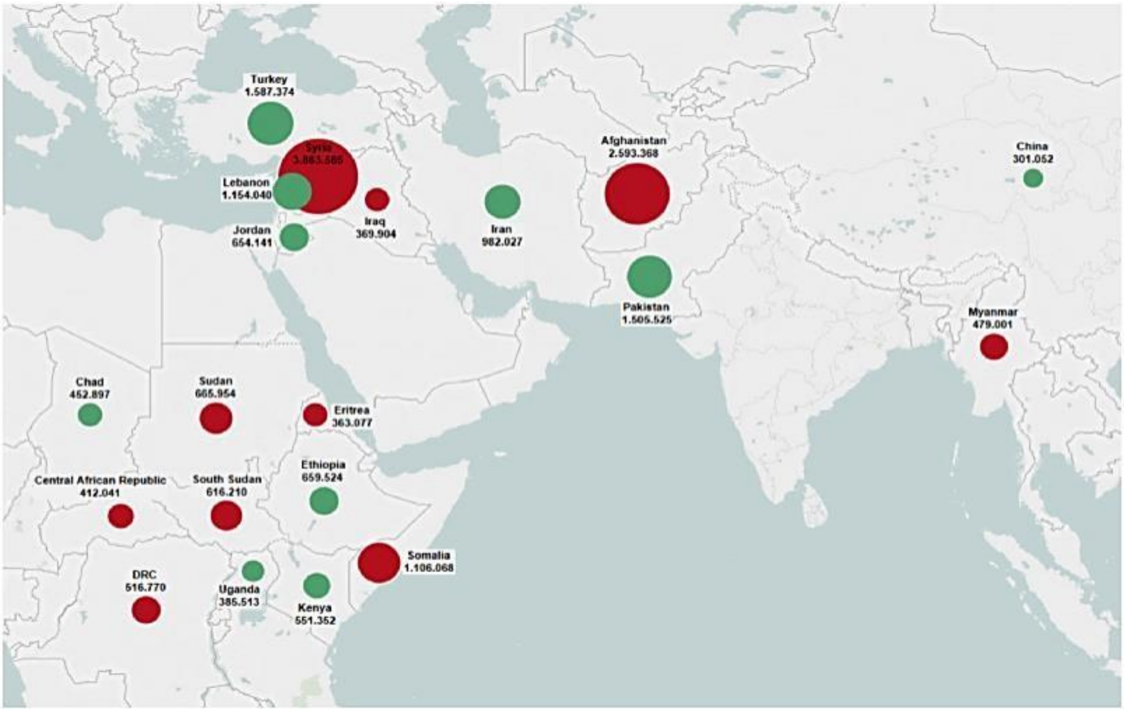
Current Situation

One in every 113 people in the world is a refugee (Wildman, 2017). The current refugee crisis is the worst the world has witnessed since the World Wars. The conflicts in the Middle-East, especially Syria, Iraq and Yemen, the civil unrest in Central African Republic, Nigeria, South Sudan and Burundi, and the social turmoil in the Rakhine province in Myanmar has contributed the most to the ongoing refugee crisis in the world. 2014 was the worst year in terms of the refugee crisis. About 42,500 people fled their homes every day. This number is four times than that in 2010 (Helen Clark, 2016)

Today, the number of refugees amounts to 65 million, roughly the size of six Swedens (Slaughter, 2015). In 2016, over 7500 migrants died while fleeing their countries (Haque, 2017). In the first half of 2017 alone, more than 2000 people have lost their lives trying to cross the Mediterranean to get to better lands (Khasru, 2017). Almost 5 million of these refugees originate from Syria (Wildman, 2017). Other war-torn countries from which refugees originate are Iraq, Afghanistan, Somalia, South Sudan, etc. These refugees seek asylum in countries like Lebanon, Jordan, Turkey, etc. Middle East and North Africa hosts 39 percent of refugees, Africa hosts 29 percent, Americas host 18 percent and Asia and the Pacific hosts 14 percent. Germany, Hungary and Sweden host the most number of refugees in Europe (Ros, 2017).

All countries have an estimated number of refugees that will enter into their country. Canada, Germany and Norway are at the top of the list, receiving and welcoming 250 percent, 144 percent and 118 percent of their estimates, respectively. The countries at the bottom of this list are USA, Spain and France, all accepting a mere 10 percent. Japan, Russia and South Korea accepted zero percent of these estimates (Ros, 2017).

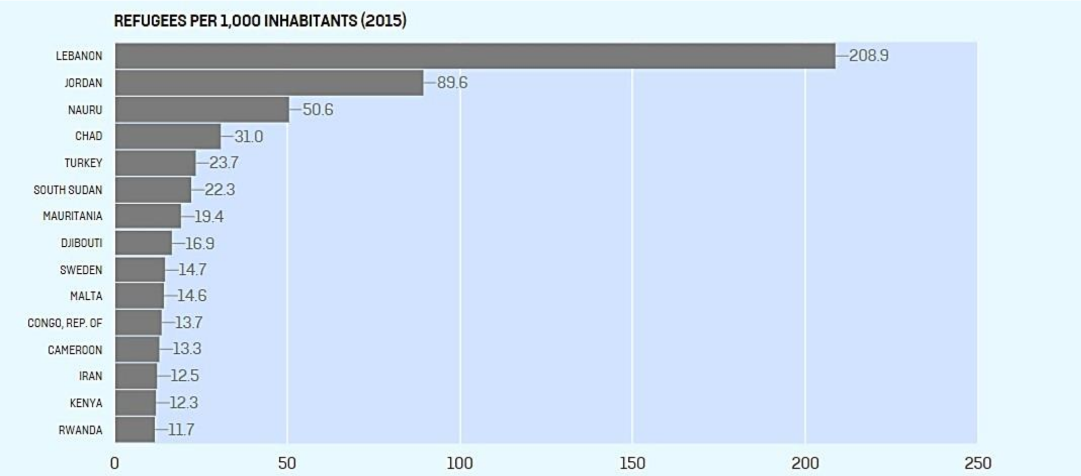
Fig. 1 – A map of the top 10 countries from which refugees originate (red) and to which they settle (green).



Source: (Gatrell, 2017)

It can be seen from the graph below that a maximum number of these 65 million refugees settle in countries neighbouring their war-torn nations. Nine out of ten refugees flee to neighbouring countries (Ros, 2017). Taking the example of Lebanon, Jordan and Turkey – these countries are not particularly wealthy. These countries belong to the low- and middle-income category. In spite of this, they house more number of refugees than the wealthy West.

Fig. 2 – Refugees per 1000 inhabitants.



Source (Caryl, 2016)

Some international organisations that work towards helping alleviate this crisis are the United Nations High Commissioner for Refugees (UNHCR) and International Organisation for Migration (IOM). These agencies have done tremendous work so far. They are funded by governments and inter-governmental organisations. However, these agencies face a lot of challenges. Talking about the UNHCR – it does not have broad enforcement powers and relies on government cooperation, which is not always guaranteed in conflict zones. Also, its communication with refugees on ground is inconsistent. It heavily depends on donations. It was underfunded by $10.3 billion in 2015 (Ros, 2017). Like the UNHCR, the IOM also suffers from these problems – a mismatch between its mission and implementation, its budget, etc. (Khasru, 2017). Governmental cooperation and better funding are essential for the proper functioning of these organisations which in turn will help assuage the crisis faced by millions of refugees.

These agencies depend on the efforts taken by the government of various countries. However, these countries themselves are not doing their fair share for helping the people. The costs that European countries spend on the refugees that enter their country is being reported as Official Development Assistance (ODA), a measure developed by the OECD Development Assistance Committee (DAC) used to track international aid spending. In 2015, the EU's DAC members spent $9.7 billion of their ODA budget on refugees in their country, and only $3.2 billion of their budget on war-torn countries (Silva, 2017). If countries continue to divert their funds this way, it will not help to alleviate matters.

Lessons Learnt

One lesson to be learnt from the refugee crises, that is common since the First World War till today, is that wars are inevitable. Conflicts among nations have grown to a new high this century. Wars, famines, persecution and other circumstances have forced millions of people to be displaced over the last century.

Looking at how the refugee crises was dealt with in the past century, we can see that a better approach needs to be adopted. At first, after World War 1, the League of Nations was established. This institution failed to provide adequate aid to all those 8 million refugees that were displaced. Then came the World War 2, after which the United Nations was established. The UN did a fair job in alleviating the problem of the refugees and it still continues to work today. However, the contribution of the UN and other similar institutions is not enough. These institutions lack funds and enforcement powers necessary for them to function more effectively.

Even though integration of global communities has occurred over the past few decades, the governments of these countries need to put in more efforts in order to unite further. A better integration of the governments and communities of the world will ensure that the refugee crisis does not deteriorate further.

The global community cannot do much to prevent wars and conflicts from occurring. All we can do is provide better aid and be welcoming to those suffering during this crisis.

Recommendations for Future

Taking into consideration the authors' opinions and interpretations from this study, the following recommendations are proposed: -

1. **Better treatment of refugees** – All the refugees today are given humanitarian aid, which seems like a good option considering the current situation. However, this aid does not do enough to help the refugees. They are only provided with the basic necessities like shelter, food, sanitation, etc. However, not much is done for their development. Refugees must be given developmental aid apart from the basic humanitarian aid. These refugees are treated

as passive recipients of aid without the ability to contribute productively to the economy of the host country (Helen Clark, 2016). This must be stopped. With proper education and training, these refugees will definitely be able to contribute to the growth of the host country's economy. For this purpose, NGOs involved in educating the under-privileged in the host countries can take initiatives to educate the refugees as well.

2. **Blend funds** – This requires creation of a model which blends public, private and charitable contributions. Private-sector standards should be followed while allocating these funds which will ensure effective and efficient mobilisation of funds. This model has already been put to use – a World Economic Forum survey found that every $1 invested in such initiatives attracted as much as $20 of private investments (Deva, 2017)
3. **Make international organisations more powerful** – International organisations working to find a solution to the refugee crises such as UNHCR, IOM, etc need to be given more power and funds to function effectively. These organisations lack the funds to carry out their intended operations in a proper manner. Apart from this, they also lack human capital on the ground to address the plight of the refugees and provide them with necessary help. Another problem faced by these agencies is that they are not well integrated around the world. They heavily depend on government integration which may not always be possible, especially among conflict-torn countries.
4. **Develop areas of permanent residence** – Conflicts all around the world do not seem to end. Many of the refugees fleeing their home countries do not wish to go back, given the fear of war and persecution. They wish to seek asylum in and become permanent residents of safer countries. A majority of those displaced spend decades and lifetimes in exile (Helen Clark, 2016). The only solution to this is to develop dedicated areas around the world that can house these refugees permanently. This has already been initiated by Naguib Sarawis, an Egyptian billionaire and the owner of two Greek islands who plans to develop them, by employing the refugees themselves, in order to house them (Slaughter, 2015). If Saudi Arabia can build a $500 billion city to house robots, the least the countries around the world can do is develop areas to house the refugees in distress.

It is now time for us all to integrate our actions and work in unity to aid the anguishing refugees.

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International Relation between Germany and India

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Abstract

Germany and India have a long standing good political and cultural relations. the international relationship between Germany and India is based on shared economic, cultural and strategic interest., India was the first country after World War II to end state of war with Germany and recognized the new Republic. The bilateral relations find expression in the number of Indian students enrolled in German universities which stands at 13,537 students in 2016 and Germany helped in the establishment of the Indian Institute of Technology in Chennai, Indo-German Science and Technology Centre in Gurgaon, and many other institutions and industries. This paper looks into few areas of cooperation between the two countries and the way forward for the future.

Keywords: International relations, Indo-German relations

Introduction

Origin and Nature

Germany and India can look back of a long period of international relationship. Since 17th century German Indologist have done research of the Indian culture. One of the most famous was Max Müller (1823 – 1900) who help implementing the *Goethe Institute Max Mueller Bhavan*. Currently six centres located in Bangalore, Chennai, Kolkata, Mumbai, New Delhi and Pune are offering German language courses and a chance for intercultural learning (goethe.de, 2018).

In 1939 Mahatma Ghani wrote a letter of freedom to Adolf Hitler (welt.de, 2015) to refrain from starting the second World War, a second letter was not even delivered by the British. In 1944 Indian prisoners of war, who fought for the British Empire were forming the *"Azad Hind" Legion Free India* under guidance of the, in 1941 towards Berlin escaped, nationalist Subhash Chandra Bose and the Nazi Regime (Hartog, 2001). Their goal was to end the colonial rule in India to weaken the British, which was not accomplished. However, India was the first country after World War II to end state of war with Germany and recognized the new Republic (Sharma, 2007). Due to the segregation of East- and West-Germany India kept its relationship with both sides and supported the German reunification in 1990. Since 1950s especially West Germany helped India with the foundation of the *Indian Institute of Technology Madras* in 1959 (iitm.ac.in, 2018). From then onwards the international relationship between Germany and India was based on shared economic, cultural and strategic interest and till date is due to tradition strong and friendly.

Existing scholarly work

To understand the relationship between India and Germany it is essential to have a closer look at the economic history of both countries and mainly India, however readers might notice that a detailed summary of all historical events is not possible and it is beyond the framework of this paper, due to the complexity and huge time period that actually must be covered. Therefore, the authors have mentioned only the main events in that history:

India gained independence on August 15th, 1947 from the British Empire and became a democratic republic on November 26th, 1949 and is so till date. As per India's colonial heritage the economic structure was mainly dominated by the *East India Company* in the 18th century regarding the textile industry and further was coined by the British Crown in the 19th century, after the insolvency of the *Company*. The British Empire controlled mainly the tax system regarding the trade of manufactory goods, mining, railway and plantation (indigo, coffee, tea) and imposed a more bureaucratic way of ruling which the *Company* did before. Slowly but continuously British and Indian merchants started to develop Indians industry, what especially regarding military support in first and second World War, was beneficial for them (Zingel, 2014).

As mentioned above, the 1950s were embossed by first attempts of post-war relationship between India and Germany. The government under lead of Chancellor Konrad Adenauer understood the essence of rebuilding a friendly, world-opened and successful Germany. They helped the Indians with their know-how in industry and supported the set-up of the first steel plant in Rourkela (sail.co.in, 2018). Due to inner-political conflicts of India, the war with Pakistan (1965) and China (1962) and further the nationalization process under Indira Gandhi – second female Prime Minister world wide – (1966 – 1984), which resulted in a protectionist disengagement from global trade, also limited the relations with Germany for that period (hgd.de, 2018).

After the assassination of the Prime Minister Rajiv Gandhi in 1991 the new Prime Minister Manmohan Singh re-opened the country towards global trade, as India had to face huge recession and high debts from the years before. The reforms addressed the labour market and empower local industry (Dr. Neff, 2012).

Due to the autonomy approach of India, Germany hardly criticized their nuclear tests in 1990s, as Germans were exposed to the Cold-War threats of a nuclear strike, for more than 44 years. Nevertheless, the international relations got strengthend in a strategic partnership, as India helped to launch German satellites (seven since 1999) and by engaging into their first naval military practices in 2008 based on contracts from 2006. The former German Chancellor Gerhard Schröder already in the year 2000 mentioned the importance of the IT expertise growing in India and surprised global economic representatives with that recognition (Zingel, 2014). That was a result of the so-called *"Agenda für die deutsch-indische Partnerschaft im 21. Jahrhundert"*– Agenda for the Indo-German partnership in the 21st century – from May 2000 which enhanced the continuous meeting of both governments and also yearly meetings of the Foreign Secretaries (india.diplo.de, 2018).

Current situation

Since 2005 Germany is governed by Chancellor Angela Merkel. As per a base of democratic and historical values she visited India in 2006 and ensured Prime Minister Manmohan Sing to help India. The dynamic development of trade between both countries should be enhanced, as Germany wants to use the significant potential of the Indian market – in 2006 the trade volume laid above 10 billion Euros and became doubled in 2011. India welcomes German direct investments and expertise to help against the poverty as in 2007 as around 800 million of the 1,1 billion citizens were recognized as poor. As per the poor environmental risk management systems and pollution of the environment, Merkel offered a fair credit of 150 million Euros for climate- protection projects and technology. Also, the “Science Express” a train to motivate youth to approach into research and studies in Germany was started and should reached 56 Indian cities till 2008 (bpb.de, 2007).

On European level, India and Europe were developing a free trade agreement to lower taxes and bureaucracy and enhance the trade, however the elections in 2014 and a shift in government impeded the agreement till date, as some of Indian’s economic sectors have retentions against it. Yet, the benefits for both sides in absolute numbers would be intensive: Calculated on the 2015 GDP of India a free trade agreement could increase the GDP yearly by
1.3 percent. That would result into an increase of 25.6 billion Euros. Europe would have huge benefits from the former neglected Asian market, as Germany could increase its profits in automobile and mechanical engineering industry towards 1.4 billion euros but would lose in its textile industry. For India the effects would be vice versa (Dr. Junglbuth, 2017). As the relationship and so also the trade between India and the USA is more distinct than the relationship between India and EU, the Union tries to intensify that relationship but has to face suspicion in whole South-Asia due to a consistent development support policy. Nevertheless, a change from the main attention on the international relations between EU and China towards EU and India can be observed and might bring economic prosperity especially for India and Germany as explained above (Dr. Betz, Wülbers, 2014).

However, the new Prime Minister Shri Narendra Modi, who was elected in 2014 has great ambitions in reforming and changing world’s second largest national economy with a population of more than 1,339,180.127 people measured in 2017 (c.f. esa.un.org, 2018). His campaign slogan “Make in India” already gave an idea of the change that he is working on. Modi stands for a revitalization of India’s economy and a reduction of the regulative and bureaucratic social policy of the former legislations. Yet, a drastic change is not expected as he must convince and satisfy the traditional wing also, but his ambitions are already echoed positively by the merchants who invested due to their future optimism. The social policy is a dilemma for his legislation: on the one side he must satisfy the majority of poor people, on the other side he has to give incentives for the middle and upper class of society. In reality he pushes on economy and labour market but less in the fight against direct poverty. Still the low public budget, the bureaucratic system, bad infrastructure and political veto players make Modis vision of a new and strong India more difficult. The integrational process within the SAARC organization suffers from India's situation with Pakistan and the claim to leadership is challenged by the Chinese (c.f. Betz, Neff, Plagemann, 2015).

Apart from all those difficulties his government is especially supported by Germany's respective education and research. German universities are more and more internationalized and offer their programs also in English. Still the awareness level of Indian students is not as high, as they prefer to do their degrees in the ancestral countries like USA, UK or Australia. Yet, Germany offers many advantages as the educational quality is high, tuition fees are relatively low (around 300 Euros per Semester in 2018), the chance to work in part-time while studying and the perspective of an 18-month working visa after graduating, in the European labour market as per the Schengen Agreement. Most Indian students in Germany are enrolled in Engineering and IT programs.

However cost advantage be must to attract more Indian students to German universities and getting qualified personnel in Germans labour market, the communication channels between the Universities and potential students still have potential of improvement (c.f. Dr. Jayadeva, 2016).

Lessons learned

As per the last governmental consultation of Prime Minister Modi and Chancellor Merkel in May 2017, both countries are still in a process of learning from each other. Obviously, the history of the international relations of Germany and India reaches back centuries and due to historical phases had highs and downs as explained above. However, the recognition of India as a potential and rising global player is still young. So also, the intensified relation between both countries are not old. Yet, the historical and traditional support in education and research was reason for Modi and Merkel to strengthen the support and development in that segment as it is one of the major keys to activate the potential of India's labour market, and with the right values and policies might help against mass-poverty.

The bilateral relations find expression in the number of Indian students enrolled in German universities (13.537 students in 2016) and so also for example in the implementation of the "Indo-German Science and Technology Centre" (IGSTC) in Gurgaon in 2010, as an institute for research including SMEs (Small and Medium Enterprises) from both countries to enable innovation or the already mentioned Indian Institute of Technology Madras in Chennai, which hosts the "Indo-German Centre for Sustainability" (IGCS) (c.f. bmbf.de, 2017).

However, many other topics dealing with the strategic partnership of India and Germany had been part of the consultations as well. For example, the support in climatic policy as Germany has expertise in environmental risk management and especially, with the situation of the Rhine river in 1970s, Modi hopes for support in his "National Mission for Clean Ganga" (NMCG) (c.f. nmcg.nic.in, 2018). But also, an ally regarding arms industry and Germans know-how is in interest of the Indian government. Concluding it can be found that the relations are on a good track and many improvements are planned to facilitate direct investments, innovation and development (c.f. bundesregierund.de, 2018).

Recommendations for Future

India is on the rise to become a global recognized player. To enhance its position and strengthen its domestic market the reforms under Prime Minister Modi seem indispensable. Also, the Trump legislation in the USA, which is characterized by protectionism, leads to a gap in global trade affecting India but also affecting the EU and Germany (c.f. spiegel.de, 2017). This can be used as a chance for these players to restructure global trade towards a European – Asian force to face the economy and influence of USA and China. What could also be supportive towards a chair in a reformed *United Nations Security Council* claimed by India and Germany (c.f. bundesregierung.de, 2018).

The benefits of this partnership and international relations are tangible. The cooperation and fusion of Germans expertise in research and development, especially in sewage water systems, renewable energy, machinery engineering, river purification and environmental risk management are highly valuable for India. The tremendous labour market and the chance for Indian students to work in Germany helps the European skill shortage and in areas like cyber security. Global trade and the opening of both markets must be seen critically as this opening will be beneficial for some industries but might ruin others as explained above.

However, the potential of this relationship is by far not utilized and is worth to keep on progressing. As it is happening, as Germany agreed on a developing budget for India consistent over 1 billion Euros per year in 2017 to educate around 800 million young people. Economists prognoses that India will become third biggest national economy by mid of this century and Germany does good by investing in that partnership (c.f. zeit.de, 2017).

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Leadership by 'Love': A Divine Paradigm

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Abstract

'Innovation' is now a globally accepted business strategy and a core competence required across sectors both in the traditional, contemporary as well as the emerging market companies, be them a startup or a fast-growing multinational. Innovation is expected and demanded not only from those who are directly responsible for designing and producing products or services but equally from those who manage various business functions at its helm and lead the people working with them. While there have been a lot of discussions on how engineers, designers and operational managers can and should innovate, there has apparently been less focus on innovation in general by leaders who sit at the helm of corporate affairs and in particular the Sr. Executives in Human Resource Function. Leaders too need to evolve and innovate in their leadership style. Given the widely accepted characteristics of 21st century business environment being uncertain, ambiguous, unpredictable and full of discontinuous change, leaders of global, multinational and domestic organizations need a leadership approach or paradigm which enables them to lead their people and organizations to sail through such situations and sustain meaningfully. Also, there is an acute need for leading people & teams with diverse background in multi-cultural environment. This conceptual paper puts forth one such largely unstated yet some practiced paradigm of successful leadership. It's practiced or found mostly in the social sector and usually avoided, misunderstood or unheard of in the corporate or business world. The proposed concept focuses on leadership. The concept intends to universalize and simplify the task of understanding 'leadership' and it's in continuation of past research efforts on leadership by numerous scholars. It suggests practicing the competency of 'love' which is different than physical attraction and which is expressed in psychological, emotional, spiritual & philosophical forms, as a native way to lead. It proposes thirteen fundamental principles which cover various motives, traits, attitudes, behaviour and actions of a leader which may come under this native and umbrella competency called 'love'. To support the idea, it points to several researches and few examples from history and contemporary society. Some such leaders have been demonstrating the competency of 'love' either in part or in full, as described here. Thus, it wants to highlight the competency of love which can be consciously practiced and how it can be a universal source of leadership present in all of us waiting to be realized through the power of love.

JEL Codes: M12, M14, J54

Key Words: Love, Leadership Innovation, Paradigm, Leader

Introduction

The current global, political and economic environment poses several threats and opportunities in front of organizations at all levels and all business sectors. It always happened but the rate and frequency now are daunting. More so, for those organizations that work with diverse set of people and in different geopolitical environments. Even more so, for those who are working in emerging markets and emerging business ecosystems which are largely unpredictable. This makes it obvious for leaders to be able to lead them and sail through. But will they not require a novel approach for this novel and unpredictable business scenario? In fact, leaders need something which is always same and predictable to bank upon and deal with such situations. The researchers share that responsibility of providing some ideas in this direction.

The leaders and leadership are a well-researched domain. In fact, leadership continues to be a favorite field of researchers. From the erstwhile approaches of trait, behavior or situation-based leadership to contemporary ones which are talking about transformational leadership (Bass, 1978), servant leadership (Greenleaf, 1977) and level 5 leadership (Collins, 2005), these theories have focused on traits of leaders, development levels of followers and leaders, leader's charisma and attitudes, and different situations as variables to describe leadership or its practice. However, it has been surprising that there has been comparatively less academic research about 'love' as a native behavior of a leader though servant leadership, transformational leadership and level 5 leaders have talked directly or indirectly about some of the leader attitudes like serving, humility, commitment etc. which also gets manifested in leading by love. Although there are some good observations and findings by some researchers (Dierendonck & Patterson, 2015), others seem to have shied away from extensively probing the role played by love in leadership despite love being so powerful, natural and native to all humans in this world cutting across barriers of cultures, caste, race, religion and geographical boundaries. One of the reasons might be that love is often perceived in its biological form which in fact is just one aspect of it and perhaps the least important one. Williamson, (1992) went to the extent of saying that love is our purpose on earth. Can a leader lead without love? Love is divine. Love is that eternal and omnipresent force which moves everyone alike. 'Love is everywhere, and I am loving and lovable' (Hay, 1984). It is the omnipotent force. Mahatma Gandhi has said, 'What barrier is there that love cannot break' (Gandhi, 1993). The popular Indian poet Kabir has talked about importance of love in this verse, '*Pothi padh padh jag mua, pundit bhaiya na koi, dhai akhar prem ka, padhe so pundit hoi'* (Translation: One may have read a lot of books or epics but that does not make a person worldly wise or leader, the Hindi word 'Prem' (love) is a two and half syllable word which when learned and practiced in its true spirit makes a person worldly wise or a leader).

The importance of love for a true leader is no secret but yet somehow, it's not seriously or consciously taken up by HR managers and business heads in the corporate domain. Another reason for less research work relating to love and leadership may be that it sounds like impractical and not a thing for business or organizations. But this fact is only half true. Several popular self-help books have advocated love and informed its effect for influencing people as cited later in this paper. Love is widely acknowledged as having an important role in leadership in popular literature. Miller (2006) informed on the scarcity of research work on leadership linking it with love. This study is focusing on love as understood in its psychological, emotional, spiritual and philosophical forms and not the physical attraction part of it. Love is the basic nature of all humans. 'Love is what we were born with' (Williamson, 1992). Humans want to love. They want to be loved. Love is always contemporary, meaningful and impactful. It does not depend on times, situations or context. So, love becomes an obvious act of choice for a leader. Caldwell & Dixon (2010) in their research observed that the concept of love is now considered a responsibility of leaders in various organizations. This background gives us an opportunity to innovate and propose a paradigm of leading by 'love.'

The Current Literature

Miller (2006) in his paper mentioned the definition of love as defined in Psychology as 'choice(s) to will the highest good' by Fromm (1963) and others. Wikipedia defines love as 'a variety of different feelings, states, and attitudes that ranges from interpersonal affection to pleasure. It can refer to an emotion of a strong attraction and personal attachment. It can also be a virtue representing human kindness, compassion and affection.' Dictionary.com gives several definitions of love, some of them being, 'a profoundly tender, passionate affection for another person', 'a feeling of warm personal attachment or deep affection, as for a parent, child or friend', and, 'affectionate concern for the well–being of others.' Williamson (1992) equates love for people as like water for plants. To love is being human. What happens when we love? We like, accept and welcome. Kouzes and Posner (1992) cited Ferris (1988) who defined love as 'a feeling of caring or deep respect for yourself and others, of valuing and believing in yourself and others, and of helping to achieve the best of which everyone is capable.’ When we love, we cease to be a threat or potential cause of any problem to a person. It then helps that person feel comfortable with us. ‘The love is always the answer to healing of any sort’ (Hay, 1984). We are then able to handle a conflict or a crisis particularly that of a relationship which ensures team working and resulting success in work. When we love, we trust and people also start trusting us. When we love, we are calm, happy, at peace, accepted, and accepting. We forget and we forgive. ‘The more you are able to forgive then the more you are able to love’ (Richards, 2011). Love becomes the cause and love becomes the effect. When you love, you don’t have ego, you don’t have superiority, you feel equal, you treat equal, and you behave equal. You share and you give, you believe in everyone’s superiority. When you love, you understand others. And others understand you. Love includes understanding irrespective of diversity. When you love, decision making becomes so much easier. You usually speak truth when you love, and at times when you don’t do so, you know that too is due to love. Then you don’t feel guilty. Love doesn’t harm in true sense. It may appear that a love has made someone done something apparently wrong. But that too would be out of love. Love is the basic nature, basic need and basic behavior of a human. Covey (1989) in his global bestseller book describes love: ‘Love is a verb. Love – the feeling – is the fruit of love the verb or our loving actions. So, love. Sacrifice. Listen. Empathize. Appreciate. Affirm.’ Love in its one form is that psychological force which has the capability to drive masses. Let them be from any society, any country or any culture. In one significant study, Dierendonck and Patterson (2015) argued for a proposition that ‘a leader’s compassionate love is related to a stronger virtuous attitude in terms of humility, gratitude, forgiveness and altruism.’ Kouzes and Posner (1992) observed that besides head, leadership is also basically an affair of the heart. In fact, they stated, ‘Leaders are in love.’ This discussion leads us to our research question and objective.

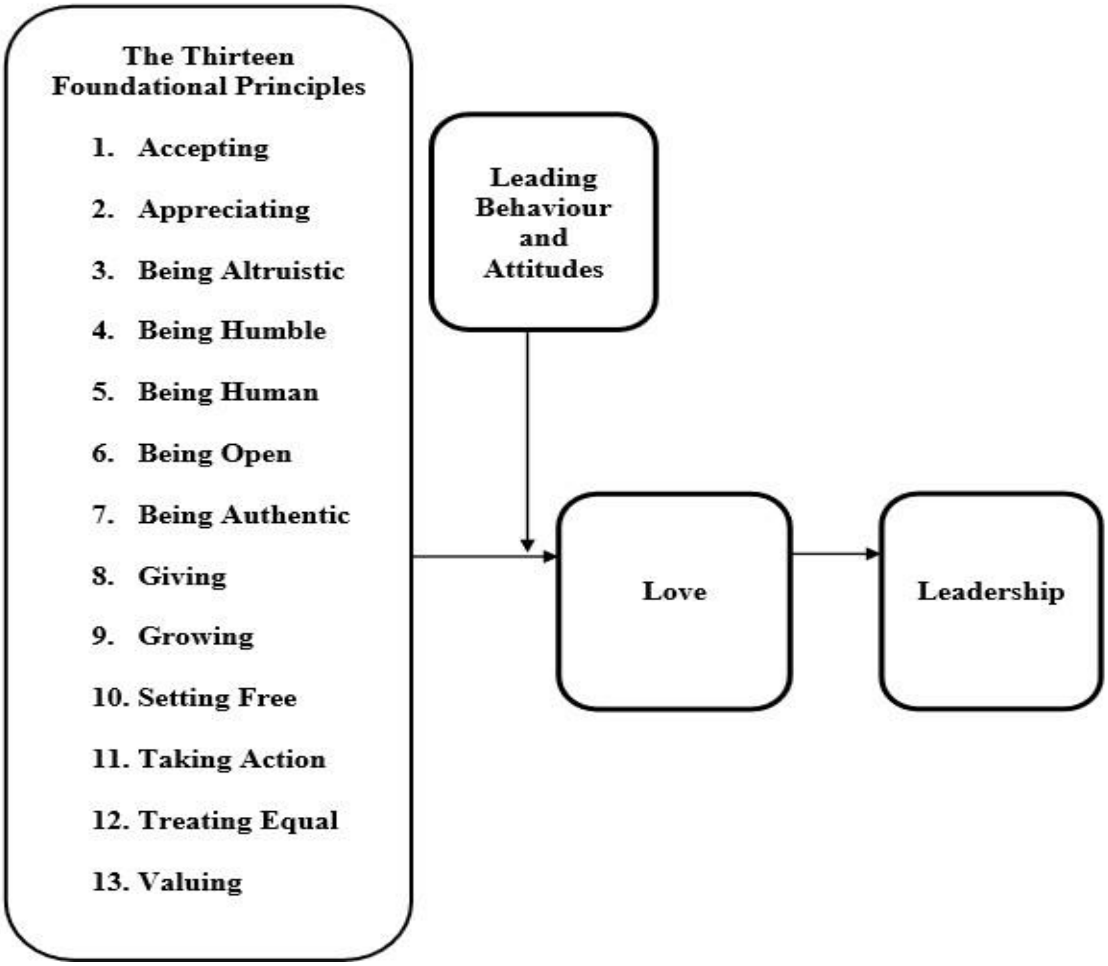
The Research Question and Objective

The above literature review provides us an opportunity to explore the following questions: Can love be broadly defined or described as a competency based on some founding principles? Can love be a paradigm of leading people, teams and organizations in 21st century? These questions give us the following research objectives: To describe love as a competency which is based on some fundamental principles and to propose a simple model of leadership by love that may be universally applicable.

The Construct

Author proposes a set of thirteen broad principles as leadership constructs which are foundational in nature, although currently in their crude form. Almost all of these principles have been discussed by various authors or researchers in connection with leadership or related topic. Although, they may have called it either a principle or a virtue and in few cases would have discussed them indirectly. For example, principle of Accepting (Ferris 1988), Appreciating (Carnegie 1982; Watkins et al 2003), Being Altruistic (Caldwell & Dixon 2010; Dierendonck & Patterson 2015), Being Humble (Collins 2005; Dierendonck & Patterson 2015), Being Open (Downey 2007; Mc Donough, 2014), Being Authentic (Kouzes & Posner 1992; Van Dierendonck 2011), Giving (Fromm, 1956), Growing (Bell, 2010), Setting Free (Covey 1989; Ferch, 2004), Taking Action (Ferris 1988; Kouzes & Posner 1992; Khandelwal & Mehta 2015), Treating Equal (Mandela, 1995), Valuing (Khandelwal & Mehta, 2016). Specific findings and observations by these researchers and authors have been discussed later in this paper. While some or many of these principles may appear to be virtues or moral characteristics, author choose to call them as principles as these are universal, does not depend on time or context, are foundational and essential for love to be realized. They are being discussed below and are given as propositions for future researchers to define them more explicitly in same or different numbers and quantitatively evaluate them to identify the cause effect relationship. There is an attempt by us to propose a simple model which incorporates these principles and a probable cause and effect relationship is thus proposed between principles, love and leadership (Figure 1).

Figure 1: The Conceptual Model: Leadership by Love, Khandelwal & Mehta, 2017



Simply stated the thirteen proposed principles are the independent variables which cause love to take place which is a dependent variable. While there may be some arguments that love leads to these principles and not the otherwise, authors take the position of love being a conscious choice and these principles being those which leads to the realization of the love as a competency. So, love is the effect here. In turn, love leads to leadership. The principles proposed are foundational in nature which together causes the phenomenon called love. Again, the principles proposed are broad, open and flexible in nature. But as we see they are universal in nature and will not depend upon a particular culture or country of origin although its manifestation may differ. Currently, these principles are more directional then explicit or exact, although it may prove to be both when analyzed deeply and may be reworded, if required. A large number of them makes it more comprehensive and is an effort towards making a bold initial attempt to outline the competency called love.

The term 'competency' as per Spencer and Spencer (1993) includes five categories of behaviour and attitudes i.e. motives, traits, self-concept, skills and knowledge. Since these principles are broad and deep, there is an attempt to describe what behaviour and attitudes lead to practicing of them. These sets of behaviour and attitudes perform the role of moderation or catalyst in realizing the given thirteen principles. They are currently mentioned in general and are more illustrative then definitive and exhaustive. In this paper, there is no attempt to study them and it might be a separate future research area for some. However, these illustrative behaviour and attitudes are important and helpful to understand how each principle is manifested in leader's behavior and what leadership lessons can be drawn from it. Some of these behaviour may be overlapping, as it's always difficult to segregate various intertwined attitudes and human behaviour. We can now proceed to understand them which lead us to our propositions.

Accepting

'Leaders accept people as they are regardless of their actions and behaviour' (Ferris, 1988). Love accepts everyone and everything. The correcting efforts when required are out of love and not out of judgments or non-acceptance. When a leader accepts a person the way he or she is then there is no judging and no calling of names. Caldwell and Dixon (2010) quoted Greenleaf (1998a, b, p. 21) who talked about servant leadership, 'servant always accepts and empathizes, never rejects.' When we accept others, there is no threat to them. Hence, there is no need for them to fear us or not to befriend with us. Mahatma Gandhi loved everyone including British rulers whom he was fighting against to free India. He gifted them hand made things while he was resisting them. The world knows him as one of the greatest leaders who have had and continue to have tremendous influence on masses. When you love, you accept them with their good and bad habits or actions. You always accept all and not some, in a given context. So, this might be a great understanding with respect to leading a diverse group of people in a cross-cultural context. Kouzes and Posner (1992) cited Harrison (1989) who mentioned that by not doing enough research on love in organizations, we are depriving ourselves of its positive influences. When leaders accept they support. The words or actions which may describe this principle are: welcome, receive, accompany, like, take, agree, approve, respect, support, cherish etc.

Appreciating

When we love, we appreciate and do so genuinely. Carnegie (1982) the people management expert said it so beautifully, 'Be hearty in your approbation and lavish in your praise.' Can we love and not appreciate? Leaders praise others through their words and actions. And they do that consistently. This genuine, consistent and abundant appreciation has the power to move people. In fact, some such comments can really have the potential to bring some people out of their depression and negative rut. This appreciation is out of the true feeling of gratitude one has when one realizes others' contributions in one's success. Dierendonck and Patterson (2015) supported the idea of Watkins et al (2003) that grateful leaders have a sense of abundance and they appreciate the contribution of others. The words which may describe this principle may include: praise, highlight positives, admire, compliment, commend, acclaim, applaud, clap, cherish etc.

Being Altruistic

Who can be a bigger example of this than Mahatma Gandhi, Mother Teresa and the likes? Can someone stop such people becoming great leaders? Being altruistic is about having self-less concern for the well-being of others. Leaders who love always think of others first. Caldwell and Dixon (2010) observed, 'Love, forgiveness, and trust convey a willingness of one party to give of one's self to invest in the other party.' They further mentioned the observations of Mayer et al (1995) and Sitkin and Pablo (1992) that love along with trust and forgiveness calls for one agreeing to be vulnerable in order to ensure the help for others. Being altruistic is also about bearing pain and difficulty for others. Kouzes and Posner (1992) cited DePree, M. (1989), 'Leaders don't inflict pain; they bear pain.' Dierendonck and Patterson (2015) related altruism with leadership although in the context of servant leadership. The words which may describe this principle of altruism may include: sacrificing, thinking of others, defend others, put others before one, taking pains for others etc.

Being Humble

Collins (2005) said the level 5 leaders are humble. They value everyone. That is only possible by being humble. A humble leader doesn't criticize critics. He or she welcomes different opinions. So even the critics experience love by such leaders. A leader doesn't treat anyone as less or inferior just because he or she is more experienced or knowledgeable. Dierendonck and Patterson (2015) observed that humility is seeing oneself as no better or worse than others do. Such leaders respect diversity and they are able to find a way through cross culture issues. Humble means consistently demonstrate humility, gives due credits to others, consider themselves as a part of team and enjoy company of everyone alike. Despite their position or power, they don't shy away from admitting their mistakes and saying sorry when they need to. The words which may describe this principle can be: humility, acknowledge others' contribution, modesty, feel normal, accept one's limitations or mistakes, apologize etc.

Being Human

Being human is about consistently being human with everyone and everything. Love is an innate thing for human beings. It's like synonymous. Love comes more obviously to human beings. The greatness of a leader perhaps may be weighed by his or her ability to be that human. Humans approach life with love. In fact, they cannot, not love. To lead is to *leave thy self* for *others* (lea-d-ers). In fact, question of leading only arises when we cease to be human or we fall short of love. When we have distanced ourselves from being human and its resulting native actions and behaviour of love are not manifested, then we look outward to find out ways to lead. Love is innately leading. Great leaders (Mahatma Gandhi, Mother Teresa et al) know and have demonstrated that it's the love that binds masses and make them focus on a cause or a goal. When they love, they can't have enemies, even if they have, the enemy will sooner or later cease to have a reason to be an enemy. Leaders have that patience for the enemy to calm down. That patience comes from the power of love, from being that human. The great men are known by the way they treat their critics and other ordinary men. Some of the words describing this principle of being human may include: compassion, being natural, forgetting, love, ethical, moral, noble etc.

Being Open

Great leaders love and they love abundantly. Downey (2007) considered love as a process which involves understanding of others by getting their views by being open. Being open is about always willing to explore possibility of new or possibility of some change. Such leaders expand their ways, their networks and have that openness to welcome people and ideas. They connect, give attention and are still open to changes. 'Loving Leadership is that you lead with love- it describes the feeling of connecting, serving, and yes, loving others. It is giving full attention to another — really looking at them, hearing their words, and connecting to them' (Mc Donough, 2014). Kouzes and Posner (1992) observed that leaders sincerely observe and feel the concern of others where one normally doesn't focus upon. That way they understand what others actually want. Some of the words describing this principle are: hear out, listen, attend, pay heed, be present, show up, join, go into detail etc.

Being Authentic

What happens when leaders love? They don't need to negotiate, force or coerce. They simply need to be authentic. Leaders who love remain true to themselves and authentic. Dierendonck and Patterson (2015) cited Van Dierendonck (2011) who mentioned that authenticity is about being honest and consistent about oneself. Authenticity is consistency in thoughts, feelings and actions. They then don't need to persuade or insist. Directors & Boards (1991) shares the views of Jon M Huntsman, then chairman of Huntsman chemical corporation, 'Business success..., he (Huntsman) writes in his inspirational essay, flows from adherence to such old-fashioned virtues as trust, respect, honesty, loyalty, and love.' Can business leaders take an unethical decision which hurts some people or organization or country if they love everyone? The simple answer is 'No'. Kouzes and Posner (1992) found in their long survey of people that the most characteristic they want in a leader is '*honesty*' (integrity, trustworthy). Being authentic is about truly living in reality and consistently so. The words which describe this principle may include: say & do actual, live in reality, be genuine, be truthful, integrity, honesty, courage etc.

Giving

Leaders cherish giving. They feel that abundance. So, they don't feel like possessing and not letting go. They love to give, share and distribute be that knowledge, experience, or wealth. Giving is about sharing what one has, every time and with everyone. Can we refuse to give when we love? Caldwell and Dixon (2010) have cited Fromm (1956, p.19) on giving that it connects one with others and none loses their identity. Leaders find the joy in giving and sharing. They share their power by empowering others to take decisions. Kouzes and Posner (1992) observed that empowerment helps in creating competency in the followers to become leaders themselves. So, leaders don't mind losing their power of being a leader and help their people to become leader themselves in the process. The words which describe this principle may include: give, empower, consistently give, provide for, distribute, share, contribute etc.

Growing

Growing is about consistently working to make it better than yesterday both for oneself and for others. Kouzes and Posner (1992) mentioned that it's the love which creates desire to see others grow and develop. Leaders who are giving and thinking of others first can't remain stagnant or stable. They would want to be growing, going ahead, and becoming better. Hashemi (2013) quoted about Howard Schultz who returned as CEO of Starbucks, 'When you love something as much as I love Starbucks, there is a huge responsibility that goes with it.' Bell (2010) felt that people who love feel a strong sense of purpose and passion towards their target. So, anyone leading will have a goal, a mission, a vision or a sense of purpose. We can all recall how love for something has helped us grow and expand in that field. The words which describe this principle may include: progress, better, improve, excel, advance, expand, develop, evolve, commit etc.

Setting Free

It's about consistently forgiving oneself and others and taking constructive action without any intention to punish. Caldwell and Dixon (2010) cited Covey (2004, p. 179) who defined true forgiveness as including 'forgetting, letting it go, and moving on.' Great leaders love their employees. So, they treat them with dignity irrespective of their background and irrespective of their mistakes or limitations. They forgive. Caldwell and Dixon (2010) quoted Ferch (2004, p.235), 'It is in forgiving that a leader can facilitate the healing and uplifting of others and of self.' Such forgiveness and trust also add to the self-worth of people enabling them to perform greatly. They love; hence they trust people. Leaders end up leading because they trust. Hence, they empower. People want to live up to that trust. Hence, they perform. 'Trust is the emotional bank account between two people that enables them to have a win-win performance agreement' (Covey, 1989). The words which describe this principle may include: pardon, exonerate, absolve, release, excuse, forgive, liberate, trust, let go, set free etc.

Taking Action

When you love, you have that desire to help, to give and that puts you in action. So, it's about acting out of love and energy generated and released by love- in time, all time. In an interview by Kouzes and Posner (1992) General Stanford said, 'A person who is not in love doesn't really feel the kind of excitement that helps them to get ahead and lead others and to achieve.' Leaders create vision and mission out of their love which brings that excitement and enthusiasm. They may not love something but they still do it because they might love something else or some other people in the same context. The depth of love one has inside her determines the competency of one's leadership and what does one get to do or achieves. Khandelwal and Mehta (2015) talked about commitment to relationship through actions. When people see that there is a concrete action and they feel the love behind, they reciprocate, sooner or later. Even if they don't reciprocate, they cease to resist and oppose which is one major cause of delay in change and progress. Leaders choose to love. 'The person who chooses to love makes a difference; the aspiring leader who chooses to love makes a *big* difference' (Ferris, 1988). The words which describe this principle may include: energy, enthusiasm, lively, active, doer, zeal etc.

Treating Equal

It's about treating everyone and everything equally. Leaders make that attempt. When it comes to basic things, things which every human deserve be it opportunity, be it respect or dignity, leaders treat everyone alike. Kouzes and Posner (1992) cited Arlene Blum, who told them about leading the first all-women's climb of Annapurna (the tenth highest mountain in the world), 'What I tried to do was to listen with empathy and respect for their ideas.' Leaders who love respect people and treat them like themselves. When you treat everyone equally then you can lead people with diverse background. Nelson Mandela didn't hate whites while fighting for the rights of black. He talked about harmony amongst both. He said, 'I have fought against white domination, and I have fought against black domination. I have cherished the ideal of a democratic and free society in which all persons live together in harmony and with equal opportunities' (Mandela, 1995). The words which describe this principle may include: fair, being same, everyone is priority, alike, respecting, importance etc.

Valuing

We become leaders when we truly start loving and we cease to be a leader when we stop loving. Hashemi (2013) mentioned that we notice the details when we love. When you notice the details about a person, you understand. When you understand, you value. Leaders 'value' when they love**.** Leaders value everything out of their love. Rather, they create or develop value of things. They see the positive side or strengths or usefulness of everything and everyone. That's how they don't reject any person or group. They don't belittle any person just because he is not qualified, not trained or comes from a specific culture, or he is not full bodied. It's very much like how a parent, a mother feels for and treats her child. Khandelwal and Mehta (2016) talked elaborately about how leaders value everything & everyone around them. They gave several dimensions of 'Valuing' by leaders including leaders valuing their location, family, money, organization, people, self, society, hard work, work etc. For example, Leaders value money so they don't waste it. They observed that leaders don't reject a venue or a location because they dislike or hate it. They learn to live there. They love it for what good it offers. By valuing we mean loving. Because when leaders love something they value it, they want to utilize it, they accept it. They work to improve and develop it. Be they organizations, individuals or teams. They value what they have got and at all times. Some of the words describing this principle are: Money, family, health, people, organization, work, country, conflicts, commit to improve etc.

Propositions

The above principles are naturally and holistically applied and not partially, as they are interlinked and interconnected within the realm of a human. They may overlap as is usually found with behaviour since a person acts as a whole and not in part. The presence and degree of practice of one principle depends on presence and degree of others. For example, when you don't value, you are not being human, and when you don't give, you are not forgiving. To that extend, love gets limited so is the result it can achieve. So, this brings us to our propositions:

Proposition 1: Love is related to and caused by thirteen principles of Accepting, Appreciating, Being Altruistic, Being Humble, Being Human, Being Open, Being Authentic, Giving, Growing, Setting Free, Taking Action, Treating Equal and Valuing.

The greatest of leaders have shown us the linkage of love and leadership. These leaders have demonstrated their love both for their followers and critics. They have demonstrated it through their altruism, one of the most famous examples being that of Mahatma Gandhi who is an accepted and revered leader. Love is an emotion. People are bundle of emotions. Carnegie (1982) cautioned us to remember that people are not creatures of logic but the creatures of emotions. Leaders have to lead through these emotions. Love then is an obvious choice of someone to lead others. Kouzes and Posner (1992) mentioned the philosophy of leadership which is the first principle of leadership as expressed by General John H. Stanford, 'Love them and lead them.' Now this is coming straight from a person who has led masses in toughest of practical situations. So, it carries that weightage. Caldwell and Dixon (2010) talked about suggestions given by several scholars (Covey, 2004; Cameron et al., 2003; Pfeffer, 1998) that when leaders consistently exhibit love, forgiveness, and trust in relationships, their employees respond with increased commitment and loyalty. That is, in turn employees love and value them. This discussion and the one contained in the given thirteen principles together give us our second proposition:

Proposition 2: Leadership is related to and caused by Love as expressed in its psychological, emotional, spiritual and philosophical forms.

Conclusion

This paper is a bold attempt at contributing the idea of leadership by love in a clear and emphatic manner. Second, the paper attempts to describe what this love would mean and what it would consist of. It gives a direction as to how love can be taken up as a conscious choice by demonstrating or living principles suggested herein. The idea is to provide a predictable paradigm to lead businesses in an unpredictable scenario which is the characteristic of current environment and is likely to continue in long term. A paradigm, which gives basic and universal principles to help leaders to deal with a novel situation in a novel way. It proposes to position love as a competency which can be consciously acquired and practiced. Third, the paper proposes a simple model for leadership by love. Great leaders have proved time and again the power of love to move the world. Mother Teresa is one such example who has shown leadership with which she ran the 'Missionary of Charity.' Leadership by love is a highly practiced phenomenon although this is not that obviously talked about in the business organizations. Love is native to all humans. It has the power to move the world be it society or corporate. The self-help best seller books or the popular culture keeps highlighting it time and again through different expressions and choice of words. The academicians and researchers may now need to acknowledge this in a more serious manner. In the world of uncertainty and ambiguity, corporate and leaders need that simple and all time applicable practice of love. Today, there is a great need to be normal, natural, to be human. To be normal is a great thing. Let's be that. Let's do what we love. Let's love what we do. Let's love. Love has led the world in the past. It will continue to lead in future too.

Future Research

The current proposition of leading business by love is at its basic level and is not away from some ambiguity needing further research in future. The first being with respect to definition and what love as a competency will include and what it will not. The current discussion has not made that very clear, though a sizeable list of principles is mentioned. There is a clear scope of improvement here. Second, the principles proposed are too open and broad in their meaning and description. That may be difficult to comprehend and practice as one leading to love and ultimately to leading. It's an area of further deliberation. Third, the cause effect relationship needs to be clearly established. The linkage between love and leadership needs to be measured by researchers in a more rigorous and methodical manner. Fourth being the question, that how much one can develop and how does one develop the competency of love to be practiced as a leader. The principles and description given here give only a broad direction. Leaders would need concrete tools, methods to practice the given principles. Such tools and methods are currently beyond the scope of this paper. Questions like are we all born with love in our hearts and is it possible to do away with our hatred of years and start loving somebody need to be probed for by future researches. While this paper is amongst those few initial attempts along with some authors, the future researches may take it ahead to a core, exhaustive, qualitative and quantitative study on different aspects of this proposed concept and model.

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Challenges for Wellness Tourism Development along Malvan Coast, Sindhudurg District, Maharashtra (India)

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Abstract

Main objective of coastal tourism is recreation. Coastal areas with serene environment can provide wide range of services which are very important for tourist's wellbeing. Malvan city (16°04′0.12″N 73°28′.1128″E) is historically very important because of famous Sindhudurg fort built by great Shivaji Maharaj for strengthening naval force of Maratha Empire and is major tourist attraction in modern day. The main occupation here is fishing with the staple diet of the local people fish curry and rice. Malwani cuisine is also very famous. Malvan city and adjacent coast have a footfall of more than three lakh tourists annually for last couple of years. People visit the area mainly for enjoying aesthetic beauty of beaches scenic locations, adventure tourism, Sindhudurg fort and Malvani cuisine. Government of Maharashtra is also planning to develop medical and wellness tourism along Sindhudurg coast of Maharashtra. Integrated approach is needed to combine various stake holders in this coastal region that benefits the community people however which are also beneficial to the tourist's health. Coastal tourism and high human pressure may lead to harmfulness along Malvan coast in Sindhudurg district on Maharashtra coast. This paper presents coastal tourism scenario, perceived risks and need for wellness tourism along Malvan coast. Recent field visits, ground water quality measurements, discussions with local people and interviews of Ayurveda medical practitioners and transcriptions of the same show rapidly growing tourism activities, infrastructure development and need for medical tourism. This study suggests priorities for creating awareness and strategies which will benefit local community people, tourists and medical practitioners. Many coastal villages along Sindhudurg district along

the Maharashtra coast are likely to face similar problems where coastal tourism is flourishing. Hence it is the need of the hour to design specific strategies and create awareness which will integrate local stake holders to develop wellness tourism. Methods and materials used in this study may be useful for other coastal tourism sites.

Key Words: **Coastal Tourism, Risk, Wellness Tourism, Integrated approach, Awareness.**

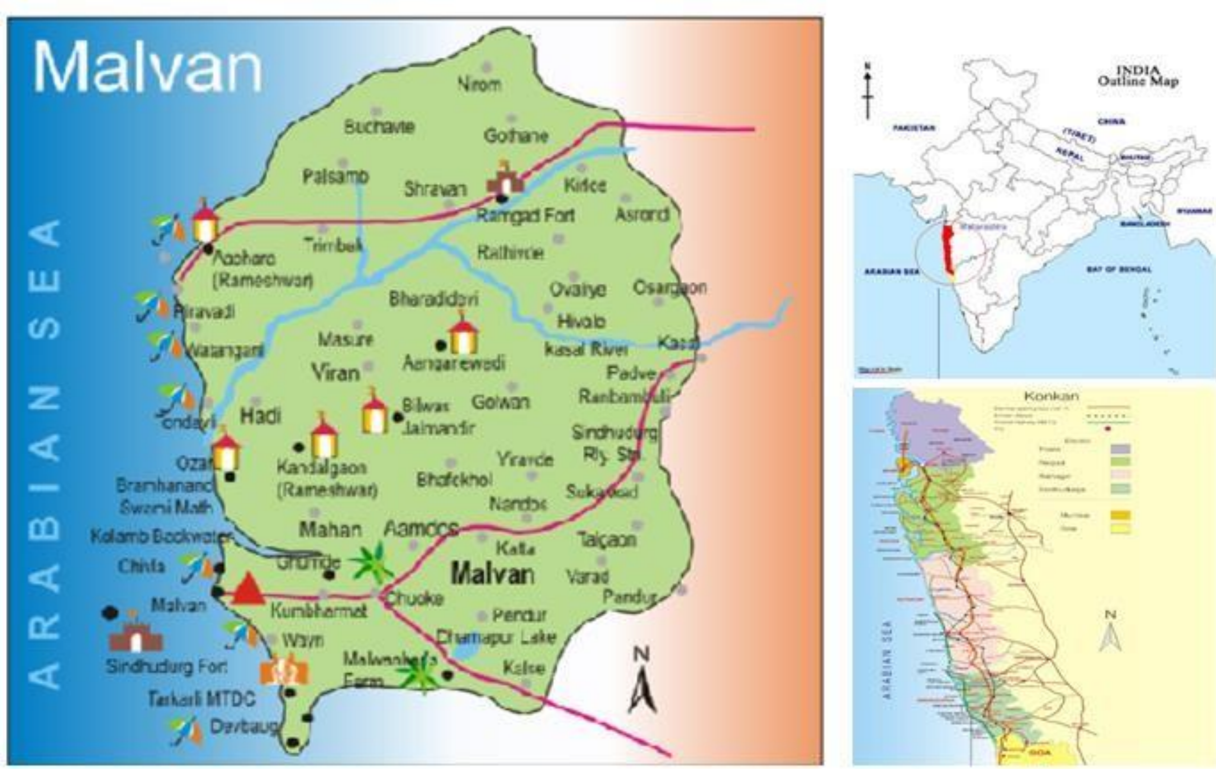
Introduction

JEL classification code: Z32 (Tourism and Development)

Introduction

Coastal tourism is one of the most common forms of tourism. It is dependent on various services and values offered by ecosystems and biodiversity. However, concentration of too many activities and pressures in small region may result in negative, albeit localized, consequences. (UNEP,2009). Malvan is a historic town with famous Sindhudurg sea fort in near vicinity (Figure 1.)

Fig 1 Malvan and surrounding coast



Source - Rane G. (2015)

Coast from Malvan to Devbag flourished as major tourist spot in last couple of decades in 21st century. Rampant alterations are making the ecosystem vulnerable to natural forces (Chaudhary &Pisolkar, 2016). In addition, salinity of the potable water is concern, which is also risky for public health. Increasing solid waste and deteriorating local aesthetics is another perceived risk for growing tourism and well-being in the area. Considering the activities that take place are crucial for sustainable use and management of resources it is necessary to take a consensual approach and to develop policies that regulate these activities. This paper reviews the literature regarding well-being and wellness tourism. Significance of coastal areas, opportunities and problems associated

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with coastal environment to promote wellness tourism. It highlights risks of unplanned coastal tourism in rural set up, risks to local environment, community people and most importantly for wellness (or wellbeing) tourism along Malvan coastal region. Hence it also signifies the need for well-being and wellness tourism along Malvan coast.Need for integration of various stake holders to promote well-being and wellness tourism.

Objective of the study

1. To bring forward major challenges for wellness tourism development along Malvan coast of Maharashtra
2. To suggest some remedies to improve quality of tourism for wellbeing of all stakeholders

Literature Review

Wellness tourism is travel for the purpose of promoting health and well-being through physical, psychological, or spiritual activities. Wellbeing tourism is related to all activities which can improve physical and spiritual condition of individual or group of people (Naronha et.al, 2003) Wellness tourism involves people who travel in pursuit of activities that enhance their personal health and well-being. These tourists are often more adventurous in seeking unique locations to experience therapies not available to them locally (Global Spa Summit, 2011). It is important to note wellbeing is challenging to define (La Placa & Knight, 2014). Although wellness and well-being has been adapted by the business community, from a health point of view the term is not well defined but most stakeholders follow well-being as identified by the WHO (Sarah Pyke et.al 2016). Wellness tourism is nearly a $2 trillion global industry with 289 million wellness consumers worldwide (SRI International 2012). The wellness tourism represents emergence of specialty tourism that is sign of societal changes in global as well as personal needs (Mc Kercher & Chan, 2005; Trauer, 2006).

Throughout the nineteenth century coastal areas represented a gateway with spa resorts and luxury hotels and other recreational offerings such as theater, walking trails etc. which has the unique coastal environment at its core (Onofri and Nunes, 2013). The unique coastal landscape is a significant contributor to overall visitor experience of the destination. In case of coastal tourism the landscape should be seen as a significant subject of interest as this land ocean interface is what attracts the tourist to the region. The experience is enhanced through the addition of cultural or recreational activities to make the experience more attractive. In recent years' coastal tourism has grown very rapidly in response and currently constitutes the fastest growing sector within the global tourism industry (Hall, 2001).

Malvan, Tarkarli and Devbag Figures (Fig 1, Fig2a) have come up very rapidly as coastal tourism destination along Sindhudurg coast of Maharashtra in last decade or so. Tarkarli is about 8 km south of Malvan and Maharashtra Transport Development Corporation (MTDC) promoted this destination as *Tambu Niwas* (Tent Accommodation) in mid-1990's and Devbag is further 3 Km south of Tarkarli and picked up as major tourism destination in 21st century because of adventure tourism. It is utmost important to promote these sites keeping in mind local needs, tourist special interest and well-being. Coastal ecosystems protection is paramount as it is supportive of well-being of local population and in addition it supports the livelihood as well. The economy of coastal region is exclusively dependent on the regional landscape defined by the land ocean interface. Any degradation or imbalance can result in loss of livelihood and can also affect the health and well-being of the locals. These coastal environments are often utilized to the brink or even beyond, that makes the activities unsustainable.

Tourism can also result in changes or abandonment of other prevalent activities such as fishing and horticulture. The result is widespread changes in livelihood that are result of tourism activity which can be fickle and volatile. This requires careful management and sustainable planning with explicit understanding of the balance between the coastal environment and tourism activity. (Naronha et. al,2002). As happens with all economic activities, the financial implications take up center stage and the environmental considerations are often taken into account only as an afterthought and that too only if it affects with financial potential. Often the degradation of the coastal environment over time erodes the attraction of the destination and tourist move away in search of newer more pristine locations. This shift erodes the financial viability of local population. To minimize the conflict that can jeopardize the quality of the natural ecosystem while carrying out financially viable tourism possess a significant challenge. (UNEP,2009). Hence there is a great opportunity to develop Devbag – Tarkarli – Malvan as destination with difference adding wellness tourism dimension in addition to already exiting coastal tourism activities. There are some practitioners in the study area and they are trying to promote wellness tourism but there is need to integrate many more stake holders. Devbag – Tarkarli – Malvan region can be role model along Sindhudurg coast.

Government of Maharashtra has realized the importance of Sindhudurg coastline in general and along Malvan, Tarkarli and Devbag in particular. some of the strategic interventions are Sindhudurg will be earmarked as special tourism districts. The state aims to promote the practice of sustainable tourism. The sustainable tourism is the one where all tourism activities such as leisure, business, conferences, adventure and/or ecotourism are self-sustained. The suitability should also be inclusive of guarantee of affording respect to indigenous people, travelers, cultural heritage of the region and the ecosystem. Maharashtra Tourism Development Corporation (MTDC)has been given the mandate for inviting public private partnerships, the local communities, NGOs, and private citizens in maintaining and conserving the regional environment. In addition, local culture, cuisine, yoga, wellness centers and other unique local experiences can also be promoted as holistic tourism experience. Department of Tourism will revive Medical Tourism Council of Maharashtra (MTCM) and initiate projects under Medical Tourism and will create individual project profiles for Medical tourism viz. Wellness and spa, Ayurveda, Vipassana meditation, etc. across the state (Maharashtra Tourism Policy, 2016). Coastal tourism flourished along Sindhudurg district in last 15 to 20 years very fast. Tarkarli- Devbag is main centre of attraction now. MTDC and Government of Maharashtra played the key role in promoting Tarkarli Devbag destination. Given the increasing interest in wellness, there are opportunities for a number of destinations including Tatkarli- Devbag to establish a wellness positioning (These are more likely to succeed when planned as a component of a broader service offering). Moreover, the benefits and multiplier effects will be greatest where opportunities are created for local suppliers (CRC, 2010).

Methods and materials

The major part of the study comprised of interviews, discussions with local Ayurveda therapy practitioners of Vandashree Ayurvedic Centre and Ashwini Ayurveda from Malvan and Tarkarli along with medical practitioners from Devbag. Study also incorporates field measurements regarding quality of water. With the help of structured questionnaire, interviews and discussions with local indigenous people were conducted to understand their perceptions about the development of the region.

Major challenges for wellness tourism development along Malvan coast of Maharashtra

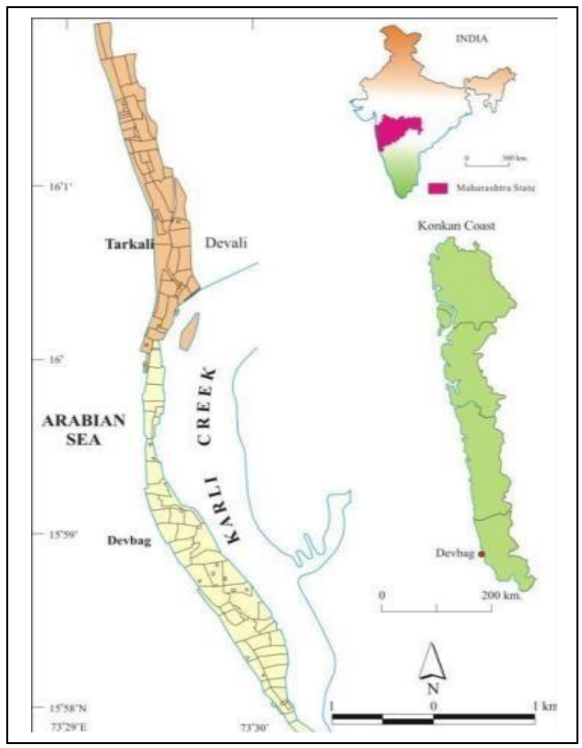
1. Whole Malvan coastline is going through the transition. Planning from gram panchayat to district level administration lack adequate primary data base for planning the region keeping in mind sustainability of all the activities.
2. In last decade at least more than two hundred home stays have been constructed in most unplanned way from Malvan to Devbag. To cater the need of tourist ground water is extracted without keeping in mind that, it is a common resource pull. Competition for water has already started. Some of the home stay owners are dependent on water tankers from which they fulfill their tradeoffs.
3. Quality of water is a major concern from Malvan to Devbag. Situation in Devbag is grim.(Table 1 Fig 2a, b). Health of the people, both local people and tourist will be of great concern.
4. Local people do not have enough drive to conserve local tangible and intangible heritage and make it as a brand for wellness tourism. Changing mindset of the local people and building capacities to promote medical tourism & heritage tourism is the greatest challenge.
5. To develop the strategy to integrate local *Ayurvada therapy* practitioners and local workforce to promote *'Medical Tourism'* through regulatory framework
6. To develop tourism plan which will not erode the aesthetic value of ecosystems for infrastructural development since the area is visited by many for its serene beauty

Table 1

Water Quality(Village Devbag)

Wells	**Salinity(ppm) Jan 2016**	**Salinity(ppm) May 2016**
1	600	800
2	800	800
3	2300	13600
4	700	1000
5	800	1900
6	3200	12900
7	5800	19800
8	1200	2100
9	1300	1600
10	1500	1700
11	1000	1500
12	700	800
13	900	800
14	1000	1600
15	800	800
16	500	600
17	500	600
18	1500	4000
19	4100	8300
20	600	1100
21	600	700
22	800	1000
23	2500	5200
24	1200	3900
25	700	700

Fig 2a



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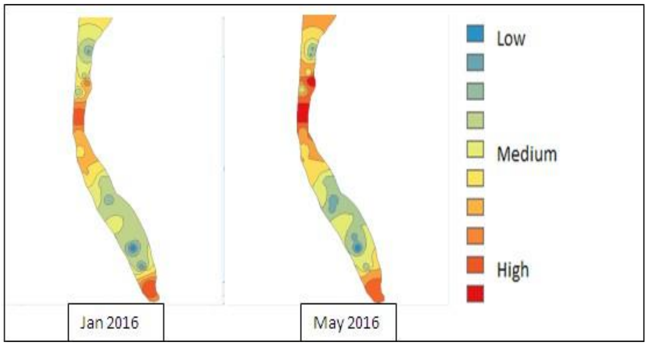

Fig 2b

Suggestions for Remedies

1. Lack of historical data poses a real challenge for prediction and management of future changes. There should be a serious initiative to undertake data collection and record keeping with respect to socio- economic parameters such as education level, livelihood, income etc. The data will provide a platform for systematic planning and management with respect to the future trends. No formal maps of survey numbers are available. Loss of landmass through erosion on creek as well as sea is anecdotal. The stress on the environment is very obvious for someone who visits these areas but no formal or scientific study is available which can aid in sustainable management.
2. Currently the home-stays are opened and operated on ad-hoc basis without any formal regulations. There is a need to formalize regulations in order to ascertain the resource availability and impact on the environment. The operators are often left to fend forthemselves. They incur debt in hope of better living standards but lack the knowledge or sophistication to deal with number of issues arising from expectations of tourists and competition that ensues. Many are not technically savvy and only rely on word of mouth publicity form their existing customers. We have seen the vulnerability of such tourism to succumb to forces such as drought in 2015 or demonetization in 2016. These home-stay operators do not have ways and means to deal with such external disruptions. Again in the absence of formal records one has to rely on anecdotal evidence.
3. Drinking water for the village is available through open wells either privately owned or publicly owned. There is no other source of water for the village and reliance on open wells has posed its own unique challenge. The availability of drinking water of low salinity depends on the

underground aquifer storage of rain water as well as slow seepage and filtration of sea /creek water. In the event of monsoon failure, the aquifer recharge fails to provide water beyond the month of February. In addition, there is higher extraction through newly installed bore wells by the hotel owners increases the speed of extraction there by increasing the salinity of the water seeping from sea/creek. Water quality has been a major issue of contention with locals and tourists. As the pressure of tourism has grown the meager water resources are strained. Most of the tourist operators purchase water from neighboring towns to fulfill their needs, but the locals not involved in tourism are often without any means to make such purchase and therefore have to contend with low water quality. Local doctors have been reporting increase in cases of kidney disorders, bone disorders as well as cases of paralysis. But as with everything else no formal records are available.

4. The tourism participation largely depends on the property of the locals. The properties near the beach or creek fare better as compare to properties that are away from these desirable landscapes. This variation has created inequality of income potential among the local population. People without desirable properties are often left with secondary livelihood sources such as working at housekeeping /cooking at more viable hotels or take up trade with entertaining tourist especially those interested in adventure tourism. But avenues are few and far between. We believe that wellness tourism can fill this gap by providing locals with means of livelihood while improving wellbeing of the region as a whole.
5. Participatory approach with decentralized governance is the key to improve the ground water demand management and improvement of ground water quality.

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Study on Effect of Social Networking Sites on the Young World of Cyber Crime

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Abstract

Using this cyber world online transmission of electronic data, electronic commerce, electronic communication as well as electronic governance and mobile communication have become very popular worldwide everyone is using it. The purpose of the paper is to understand the common cybercrimes experienced by individuals and to know about the level of awareness amongst youth. Entire research process is defined and distributed in a systematic manner. It includes extensive literature review. The present paper is based both on primary as well as secondary data & information. As the cyber world digital citizens all of us are instrumented with data obtainable about their location and happenings, privacy seems to vanish. Technological challenges are directly related to security challenges. The paper discusses the cybercrime amongst youth at a macro level in a conceptual manner.

Keywords - Cyber-crime, Youth, Security awareness

Introduction

Today e-mail and websites are means of communication for everyone. (Lane, J., Heus, P., & Mulcahy, T, 2008). It facilitates almost instant exchange and dissemination of data, images and variety of material. It is inclusive of educational and helpful material but undesirable information also. (Mishna, F et.al, (2011).

These begin from inventions in information technology that, to enhance new economic and social opportunities, pose difficulties to our security and prospects of privacy. All of us as humans are already interconnected with information technology. Everyone uses devices and smart gadgets. All social systems are now fully connected as the "Internet of Things." Standards are evolving for all of these potentially connected systems. Quality of life is improving through information technology. Infrastructure is getting automated. Security and privacy are the two major challenges. Disruption and illegal access can be done through attacks (Kugler, R. L., 2009)

In the current online era of cyber threats, a huge number of cyber threats and its impact along with understanding is difficult to restrict at the initial stage of the cyber-attacks. (Hale, C. 2002). The United Nations, for statistical purposes, defines 'youth', as those persons between the ages of 15 and 24 years, without prejudice to other definitions by Member States Almost 27.5% of the Indian population is comprised of Youth in the age group of 15-29 years. It is seen that online risks such as addiction, cyber bullying, and sexual solicitation are associated with negative consequences for youth. It is important to note that not all children information technology users. (Broadhurst et .al 2014). Defining youth with age group is one of the easiest way in are equally susceptible and more research is necessary to identify the youth most at risk as well as to develop effective interventions. (Guan, S. S. A., & Subrahmanyam, K., 2009)

Research Methodology

Entire research process is defined and distributed in a systematic manner. It includes extensive literature review, survey-based research, from Ebsco, Emerald, Scopus, Jstor, Thomson Reuters and Google Scholar.

The present paper is based both on primary as well as secondary data & information. In order to get the primary data from the root source, the structured questionnaires were prepared for respondents. The number of respondents were 100 youth from different states of India.

Review of literature

Cyber Crime

In the modern life cybercrime is an evil. In the cyber world is crime is the most serious threat. It is very important to understand of cybercrimes and to safeguard future from the same (May,T & Bhardwa, B. 2018). Cybercrime is an act for which punishment is imposed upon conviction.

Some of the kinds of Cyber-criminals are mentioned as below-

Crackers are those individuals who are virus creators. Hackers are the one explore others' computer systems for education, Pranksters are individuals who attempt to tricks on others. (Sukhai, N. B, 2004) Career criminals are individuals who earn their income from crime. Harassment is cyber bullying that occurs via the Internet.

Computer spam refers to unsolicited commercial advertisements distributed online via e-mail, which can sometimes carry viruses and other programs that harm computers. Restriction of cybercrimes is dependent on proper analysis of their behavior and accepting of their impacts over different levels of society. (Probst, C. W et.al,2010). Therefore, cybercrimes understanding in the current era and their effects over society with the future trends of cybercrimes are explained. (McGuire, M., & Dowling, S. 2013).

Another type of cybercrime is phishing is just one of the many frauds on the Internet. Vishing is an electronic fraud tactic in which individuals are tricked into revealing critical financial or personal information to unauthorized entities. A vishing attack can be conducted by voice email, or landline or cellular telephone.

Social networking Sites

The popular social media sites like Facebook and Myspace had studied the views on trust and privacy concern regarding sharing of information and new relationships. It is clear there is no much difference as privacy is concerned. It was found that majority of Facebook members were willing to share information than members of Myspace. Whereas Myspace members are more willing to interact with other new members of the site. This suggests that given in any social media platform, privacy and trust do not really matter when exchange of information or relationship building between the members. (Dwyer, Hiltz, & Passerini.2007).

(Subrahmanyam, Reich, Waechter & Espinoza,2008). study shows that evolving adults also use Social networking sites to connect with family and friends and the pattern disclose that they use online to reinforce their disconnected folks. According to (Lin& Lu,2011) one of the major factor people join social networking sites is for fun or enjoyment, and the other aspect is friends and real benefits of it. It was also known that men and woman have different influencing factors when it comes to joining social networking sites. One of the top reason is, woman is influenced by number of their peers in social media. Whereas men had no impact of friends or families, to join in a social networking site.

(Wilson, Fornasier & White,2010) showed in their study that psychologically, overenthusiastic teenagers trend to spend more time at social networking sites and also higher level of addictive affinities.

Cybercrime and social networking sites

(Williams, Edwards, Horsley, Burnap, Rana, Avis & Sloan, 2013) focuses on social media users with the ability to monitor social media facts streams for signs of high tension which can be examined in order to detect deviancies from the 'norm' (levels of interconnection/low tension). Indicators about neighborhood crime, scarcity and demography, to provide a multifaceted representation of the 'terrestrial' and 'cyber' streets. As a result, this 'neighborhood informatics' allows a means of official foundations of civil unrest through reference to the user generated versions of social media and their connection to other, curated, social and commercial data.

(O'Keeffe & Clarke, 2011) explained spending time in social media Network sites is among the most common activity among the current generation of children and youngsters. Gaming sites, simulated worlds and video sites such as YouTube; and blogs offer youth a gateway for entertainment and interaction. This had grown tremendously in recent years. It is vital that parents become conscious of the environment of social media sites, given that not all of them are safe backgrounds for children and adolescents.

(Wall, 2008) talked about the astounding contrast between the numerous instances of cybercrime supposedly stated each year and the pretty small number of known trials. This distinct evidence leaks a large hole in our understanding of cybercrime and pleads a number of vital queries about the quality of the making of criminological evidence about it. This item takes a serious look at the means that public insights of cybercrime are made and uncertainties about it are produced. It discovers the varying conceptualizations of cybercrime before finding tensions in the making of criminological awareness that are causing the rhetoric to be chaotic with realism. It then differences the tradition of cybercrime with what is actually going on in direction to know the support gap that has unlocked up between public demands for Internet safety and its delivery.

(Patton, Hong, Ranney, Patel, Kelley, Eschmann& Washington,2014) emphasized on assassination being the second top cause of death for young people, and experience to violence has an adverse effect on youth mental vigor, academic presentation, and interactions. They proved that youth violence, together with victimization, mob violence, and self-directed violence, more and more occurs in the virtual space. Some methods of online violence are inadequate to Internet-based relations; others are directly related to head-on acts of violence.

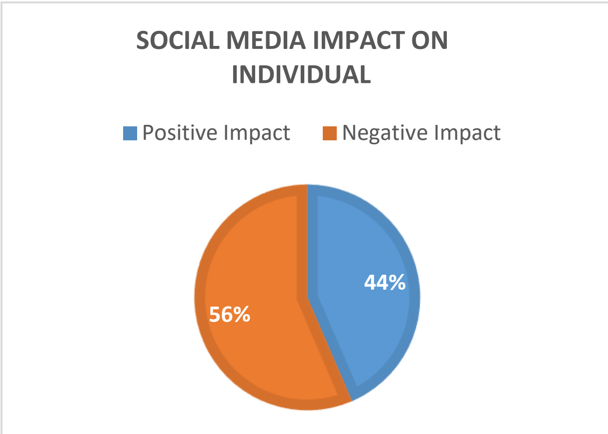
Cybercrime and youth

(Marcum, Higgins, & Ricketts,2010) through their study proved positively more effective policies and plans can be established to teach youth and people about defending themselves while online. Youth should be mindful of who they are communicating with online and abstain from as long as any type of personal information to persons they do not identify and belief. Also, further analysis of the use of social networking websites and the wrong actions of youths, as well as their knowledge with misleading Internet practices, will spread our awareness of the online activities and practices of adolescents. With this understanding, better safety measures and strategies can be established to keep adolescents safe online

(Oksanen & Keipi, 2013) in the study explored cybercrime, which has grown into a major topic within the last two decades. Young societies are more likely to be the targets of cybercrime. In addition to age, other aspects including gender, education, financial status, and forceful victimization relates with cybercrime victimization. Decent offline social networks were a defending aspect against cybercrime harassment among females. Young cybercrime preys were more likely to be bothered about future harassment. They showed the significance of understanding both psychosocial threat elements in offline and patterns of uncertain online actions.

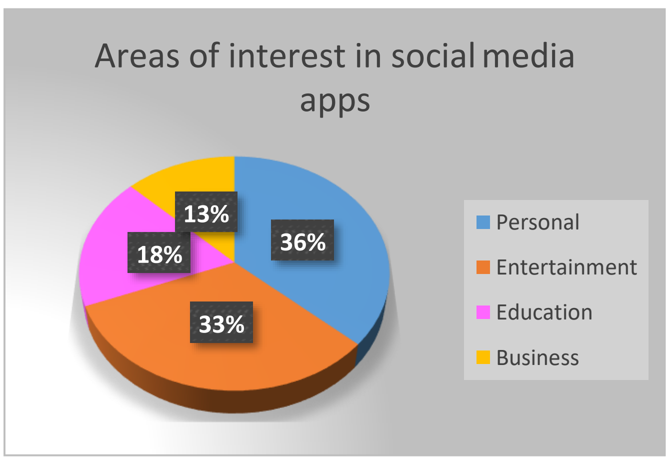
Data Analysis

1. Do you consider social media has more negative or positive effect?



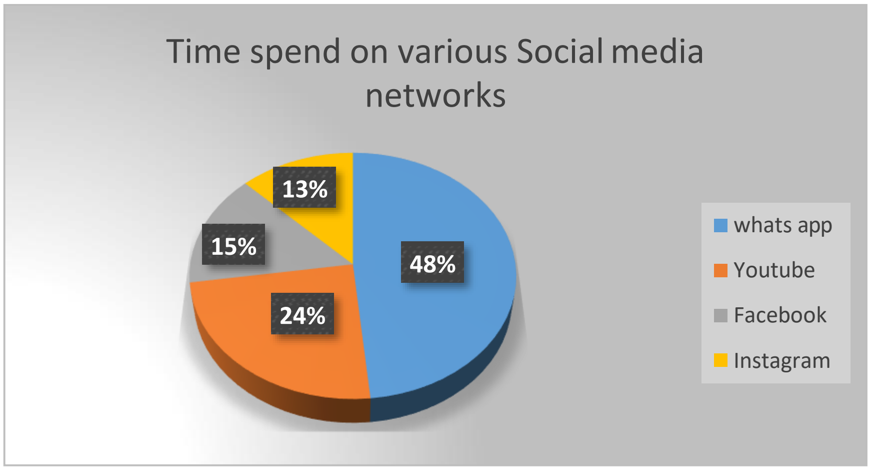
Out of 100 respondents' majority have shown that extensive use of social media can actually cause addiction and negative effects. On the contrary other respondents perceived it as a positive platform.

2. Which types of information interest you in social media apps?



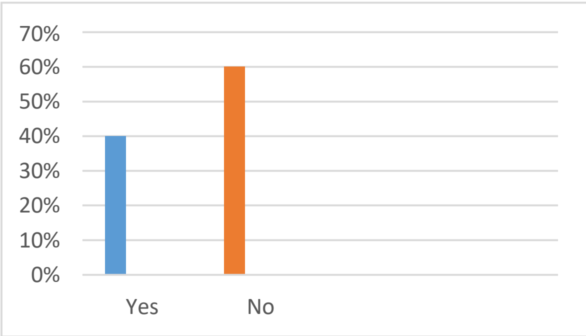
Majority of the respondents were interested in personal and business information. For the purpose of education, it is least preferred. Entertainment is also preferred over education purpose.

3. Which is the social media apps do you most often use?



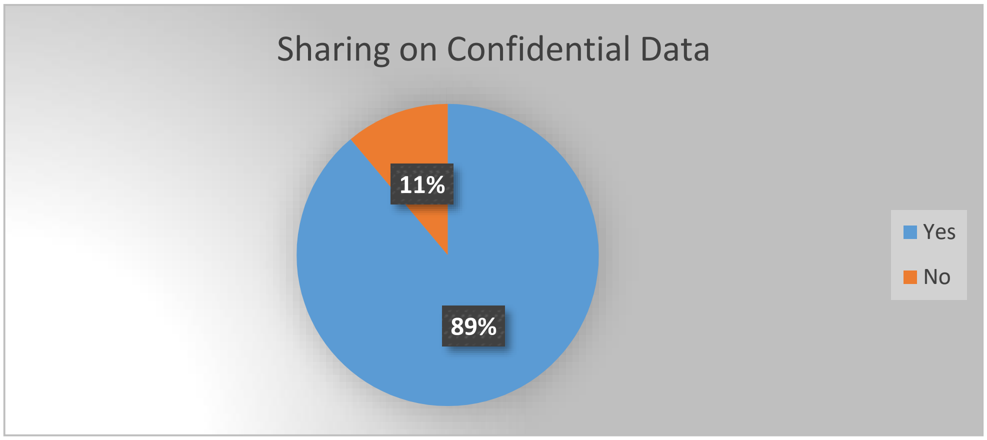
Whatsapp is the most famous application of social media networking followed by Youtube, facebook and Instagram consecutively.

4. Have you ever added an unknown profile from social media?



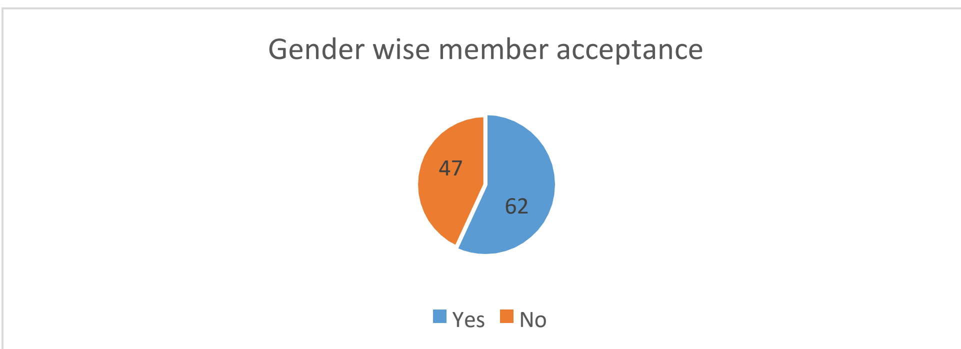
Majority of the respondents are conscious and do not accept any friend request from strangers. 40% respondents believe there is no harm in chatting with strangers.

5. Had you ever shared your passwords among close friends, parents or others?



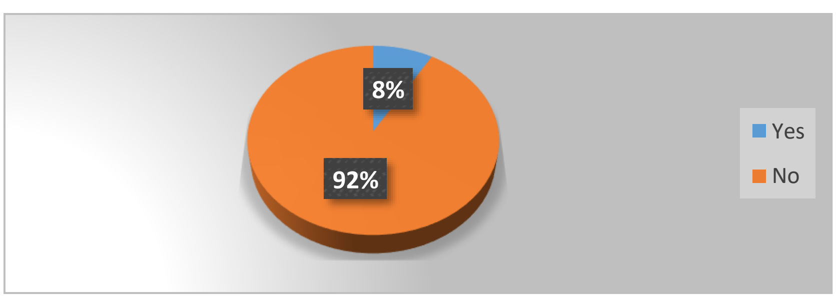
It was astonishing to note that maximum respondents don't mind sharing crucial information like their password amongst family and friends, which shows level of awareness is very low amongst youth.

6. Acceptance on the basis of gender on social networking site



Majority of the youth on social networking sites enjoy having friends of the opposite gender which can be misleading and can cause negative effects.

7. Have you disclosed cybercrime faced by you to your friends or parents?



Majority of respondents have not disclosed details of cybercrime faced by them to their parents out of fear which again shows that the level of awareness of the consequences of cyber crime needs to be assessed.

Conclusion

There are a wide range of information security awareness delivery methods such as web-based training materials, contextual training and embedded training. In spite of efforts to increase information security awareness, research is scant regarding effective information security awareness delivery methods. (Rowe, D. C., Lunt, B. M., & Ekstrom, J. J. 2011). (Abawajy, J. 2014) suggested that a combined delivery methods are better than individual security awareness delivery method.

In order to prevent cyber stalking, individuals should avoid disclosing any information pertaining to them (Florêncio, D., & Herley, C.2013). This is as good as disclosing your identity to strangers in public place always avoid sending any photograph online particularly to strangers and chat friends as there have been incidents of misuse of the photographs. Always use latest and update anti-virus software to guard against virus attacks. always keep back up volumes so that one may not suffer data loss in case of virus contamination Never send your credit card number to any site that is not secured, to guard against frauds.

Always keep a watch on the sites that your children are accessing to prevent any kind of harassment or depravation in children. It is better to use a security programme that gives control over the cookies and send information back to the site as leaving the cookies unguarded might prove fatal. Web site owners should watch traffic and check any irregularity on the site. Putting host-based intrusion detection devices on servers may do this. It is important to discuss and evaluate the effects of various information security awareness delivery methods used in improving end-users' information security awareness and behavior. (Tadda, G et.al, 2006).

Limitations of the study

Following are the limitations pertaining to the research study-

- It is a descriptive study with close ended questionnaire and hence the potential to capture unique insight is limited.
- Legal aspects of cybercrime and cyber security is not covered in the study.

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Gross Domestic Product is a Poor Measure of Growth – A Study of GDP's Inadequacies and its Alternative

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Abstract

This paper gives an overview of the history of the Gross Domestic Product (GDP) and the reasons countries all over the world adopted this flawed measure. It talks about the various inadequacies of GDP and how we, as a society, have failed in measuring actual well-being and progress of economies by equating the same with GDP. This paper is a call for the replacement of GDP which has been in use for over eight decades. It also studies the opinions of various authors and experts in this field and draws conclusions based on those opinions, as to which alternative is best to replace GDP. This paper also talks about the alternative most suggested by the authors - The Better Life Index, its details, framework and use. It also examines how the Index is better than GDP. This paper advocates to put an end to the misuse of GDP and to replace the 80-year-old measure with a more modern one which not only reflects the current economic scenario, but is also dynamic enough to change with the ever-changing economic conditions. For this purpose, co-operation among governments and policymakers all over the world is required, which will help them in formulating right policies, which will benefit the citizens and ultimately lead to economic prosperity. However, government and policymakers are not the only ones responsible for this. The citizens of the country should also be supportive and co-operative with the authorities. A harmony between the government and the people is what will make this transition process a smooth one. It is the need of the hour to measure the right things in the right way and to work towards formulating and implementing policies for the betterment of the people and the society at large.

Key words: Gross Domestic Product, Inadequacies, Alternatives, Better Life Index, Progress, Well-being

JEL Classification: D60, O11

Introduction

If a man marries his maid, then, all else equal, GDP would fall. – Paul Samuelson.

In the early editions of one of his economics textbooks, Paul Samuelson had joked about the above statement (N.A., The Economist, 2016). The absurdity of the Gross Domestic Product (GDP), being referred to as the Gross Domestic Problem in recent times, is reflected in this statement.

The foundation of GDP was first laid in 1934 by Simon Kuznets, a Russo-American economist, when he was asked by the USA government to calculate the output of the US economy for the past three years, during the Great Depression (Lehmann, In These Times, 2016). Before global economies could recover from the Great Depression, the Second World War began in 1939. During this period, John Maynard Keynes made an appeal to the UK government to measure the cost of war and private consumption in the article titled "*How to Pay for The War*" (Keynes, 1931). Keynes had adopted the basic principles of Kuznets' GDP, with a few changes in it – Keynes defined GDP as the aggregate of private consumption and investment, and government spending. However, Kuznets' take was that government spending (which mostly consisted of spending on the war during those periods) should be considered as a cost to the private sector (N.A., The Economist, 2016). However, Keynes' GDP won over various governments.

Once the Second World War ended, most of the economies were shattered. Almost all the money was spent to finance the war, and none was left to revive the economies. USA was the only country which was not significantly damaged. The USA then designed a program – the Marshall Plan, officially known as the European Recovery Program, whose main purpose was to revive the Western European economies damaged during the Second World War. Under this plan, USA provided direct financial aid to the fallen economies. However, in order to avail this aid, countries had to produce an estimate of GDP (N.A., The Economist, 2016).

Further, the Bretton Woods Conference in 1944 established international financial institutions - IMF and World Bank, and this was when GDP officially became the standard tool for measuring an economy (Dickinson, Foreign Policy, 2011). In 1953, UN published "A System of National Accounts and Supporting Tables", which laid down the guidelines for measuring economic performance. In other words, this was a manual that countries had to follow in order to measure and analyse their economic performance. This further widened the adoption and use of GDP. Today, all countries use this flawed indicator to measure their economic growth and well-being.

The two major mistakes we have made in considering GDP a good measure is:

i. GDP is a highly inaccurate measure that not only excludes a lot of positive activities, but also does not factor the negative ones into it.
ii. Politicians, statisticians, economists and common people are responsible for the maximalist use of GDP. The "P" in GDP stands for product, meaning, it measures the level of production in an economy (Lequiller, December 2004 - January 2005). However, over the years, we have associated GDP with societal well-being and progress, which is absolutely wrong.

Policymakers use GDP figures to formulate policies which leads to uninformed decision-making. They do not realise that economic growth is a means to an end, and not an end itself (Robert Costanza M. H., A Short History of GDP: Moving Towards Better Measure of Human Well-Being, 2014). Policymakers should focus on using economic growth to increase people's well-being instead of focusing on economic growth alone, irrespective of whether the people in the country are happy or not. Doing this will ensure the well-being of a country, in terms of economic activities as well as people's happiness.

Methodology

This study is based on secondary data collected from various journals, websites, papers, among others. For the purpose of this study, various articles/papers were taken into consideration. All these papers were studied in depth to understand the authors' point of observation regarding GDP. The authors' criticism of GDP, its inadequacies, its alternatives and suggestions were compiled after understanding their viewpoints. All of the suggestions of alternatives to GDP given by the authors were analysed and the most recommended alternative to GDP – the Better Life Index, was then studied thoroughly. Also, a comparison between GDP and the Better Life Index was drawn to understand how the Better Life Index is preferred as a measure of progress and well-being over GDP.

Analysis

Before GDP came into the picture, there were similar estimates adopted by countries, especially the United Kingdom and France, since the 15th century. The commonality between these estimates and GDP, apart from the rudimentary principle, was that these measures were adopted by countries during war times to keep a track of their resources, and how much money was to be raised through taxes to fund the wars. GDP is a wartime measure which is still being used during times of peace. This mere fact is enough to prove that GDP is not a suitable metric for measuring today's economies. However, there are various other reasons which highlight the inadequacies in GDP:

i. **Ignores Environmental Degradation**: GDP ignores the negative effects of production activities that cause environmental degradation. A lot of producers undertake activities that seriously harm the environment. However, GDP only considers the value of the output of the production process, and not its ill-effects. Taking the example of China. China's economy grew at 9.2 per cent year-on-year in 2011 (N.A., China Daily, 2012). However, this decent level of growth caused colossal environmental damage. A study commissioned by Greenpeace found that emissions from Coal plants in China increased air pollution to such hazardous levels that it resulted in premature death of 250,000 people in 2011 (Duggan, 2013).
ii. **Ignores Depletion of Natural Resources**: GDP entirely ignores the natural resource depletion caused by processes that use up limited natural resources. In order to increase production and output, countries use up large chunks of the finite natural resources – all this to increase GDP. However, countries do not realize the cost they have to pay for resorting to such unsustainable means to increase GDP. This is what happened with Nauru, a small island-nation in the middle of the Pacific Ocean. Since phosphate deposits were first discovered on the island in the 19th century, miners went on a spree to mine it, mining 80 per cent of the land. This caused depletion of the resource within no time. Moreover, the government did not utilize the proceeds for the development of other industries or for the betterment of the people, which ultimately resulted in an economic collapse at the beginning of the 21st century, when there was no more phosphate left to mine (Sokhin, 2015-2016)
iii. **Ignores Digitization**: GDP does not factor into it the benefits of the advent of new technology and digitization. In recent years, a lot of new technology has come up that has made the lives of people easier. However, the arrival of such technology has jeopardized the productivity of traditional businesses. For example – previously, consumers had to pay exorbitant rates to make long distance or international calls. This added to the GDP of a country. However, when free-of-cost communication applications like WhatsApp, Facebook Messenger, among others were developed, consumers had to pay nothing (apart from the

internet data charges) to avail such features. This, in a way, reduced GDP, even though this benefitted both the consumers and the economy at large. Thus, even though economies are headed in a better direction with the introduction of new technological products and services, GDP numbers will not reflect this, thereby providing an inaccurate picture of the economy.

iv. **Amorality**: One of the major inadequacies of GDP is that it does not differentiate between good and bad spending. This can be easily understood with an example. Which of these is better - On one hand, Pennsylvania, USA is building a large prison facility, the second- largest construction project in the state. The entire project has cost the government approximately $370 million (DiStefano, 2016) On the other hand, New South Wales announced in 2017 that it would spend $5 billion to build new education and schooling facilities as public school enrolments are expected to grow by 21 per cent by 2031 (Gerathy, 2017). Both these expenditures will contribute to the growth in GDP. Although the difference between both these amounts is substantial, the fact that is being highlighted here is that both these expenditures are considered to be same under the GDP number. This does not provide a completely accurate picture of a country's economy.

v. **Ignores Inequalities in Income Distribution**: Another inadequacy in GDP is its ignorance of inequality in income distribution among the citizens of a country. An increase in a country's GDP does not reflect which parts of the society are actually benefiting from the increase. Also, such benefits are usually enjoyed only by the rich people, whereas the rest of the population hardly benefits from this. This inequality in the distribution of income results in social imbalances. As a result, a country which is characterised by high inequality in income distribution will have greater chances of thefts, homicides, etc. Moreover, to curb such crimes, a country will then have to deploy additional police force. Also, more and more households will start installing security and alarm systems in their homes. An increase in the police force and security systems in homes will add on to the country's GDP. Thus, even though GDP numbers will be high, the numbers will not reflect the fact that the increase was caused as a result of activities undertaken to curb crimes in the country.

vi. **Gives preference to Quantity over Quality**: Since GDP was developed in a period dominated by mass-manufacturing, its basic principle is - higher the production, higher will be the GDP. Hence, GDP gives preference to the quantity of goods produced and services rendered during the period of time taken into consideration. The quality of goods and services is completely ignored. This does not provide an accurate picture of the economy. Taking the example of China – China is also known as "The World's Factory" for its humongous exports all over the world. Low-cost labour manufacture these goods on a large scale and export them to various countries. However, as many of us are aware, the quality of many of these products is not up to the mark. Chinese suppliers change product specifications without asking the importers in order to produce those goods at a lower cost. This reduces their quality to a huge extent. The suppliers see quality as a barrier to greater profitability (Midler, 2012). Thus, even though an increase in the quantity of goods produced leads to an increase in GDP, the quality of these goods is poor, which is not reflected in the GDP numbers.

After considering the above inadequacies, it can be said that GDP is not the right tool for measuring an economy's growth.

Review of Literature

The authors of the papers/articles taken into consideration for this study have varied opinions when it comes to using GDP as a measure of growth. However, most of them do believe that it is flawed and needs to be replaced by its alternatives. Table - 2 summarises their opinions.

TABLE – 1: Opinion of the authors.

Author	**Title**	**Criticism (Inadequacies)**	**Alternatives**	**Suggestion/Comment**
N.A. (N.A., The Economist, 2016)	The Trouble with GDP	Ignores Sharing economy, digitization, quality	-	-
Chris Lehmann (Lehmann, In These Times, 2016)	The Case Against Using the GDP As a Measure of Economic Health	Mild criticism	Criticizes HDI	GDP should not be replaced, only improvements should be made
Francois Lequiller (Lequiller, Is GDP a Satisfactory Measure of Growth, December 2004-January 2005)	Is GDP A Satisfactory Measure of Growth	Ignores the effect of inflation	-	Replace with suite of indicators
Mark Thoma (Thoma, CBS News, 2016)	Why GDP Fails as A Measure of Well-Being	Ignores technology	Talks about China's green GDP, Index of Sustainable Economic Welfare, Genuine Progress Indicator, Happy Planet Index, GNH, National Well-being Accounts; no specific suggestions	Alternatives are not sufficient; GDP will not be replaced anytime soon
Stephen Schmidt (Interviewer) & Lorenzo Fioramonti (Interviewee) (Schmidt, 2013)	The Gross Domestic Problem	Ignored depletion of natural resources and environmental degradation	Talks about Inclusive Wealth Index, GNH, HDI; no specific suggestions	A dashboard of indicators should be developed; a sound system of global governance is required
Edward Jung (Jung, Project Syndicate, 2014)	Misleading Indicators	Ignores innovation, digitization	-	-
Editors – Bloomberg View (Editors, Bloomberg View, 2013)	GDP: An Imperfect Measure of Progress	Amoral, ignores environmental degradation	-	Suite of indicators of welfare

Peter S. Goodman (Goodman, The New York Times, 2009)	Emphasis on Growth Is Called Misguided	Ignored environmental degradation	-	-
Tim Dean (Dean T. , 2014)	Dethroning GDP As Our Measure of Progress	Amoral, ignores income inequality, environmental degradation	Suggests Genuine Progress Indicator	-
Stephanie Thomson (Thomson, World Economic Forum, 2016)	GDP A Poor Measure of Progress, Say Davos Economists	Mild Criticism	-	-
Charles Bean (Bean, VOX CEPR's Policy Portal, 2016)	Time to Rethink the Way We Measure Economic Activity	Ignores digitization	-	-
Diane Coyle (Coyle, World Economic Forum, 2016)	The Problem with Measuring A 2016 Economy With 1940s Methods	Ignores digitization	-	-
Jennifer Blanke (Blanke, World Economic Forum, 2016)	What Is GDP, And How Are We Misusing It?	Amoral, ignores inequality of wealth distribution, depletion of natural resources	-	-
Ross Chainey (Chainey, World Economic Forum, 2016)	Beyond GDP – Is It Time to Rethink the Way We Measure Growth?	Mild Criticism	-	-
Diane Coyle (Coyle, OECD, 2014)	The Ups and Downs Of GDP	Ignores pollution, innovation, inequality of wealth distribution	Suggests Better Life Index	Recommends creation of a suite of indicators, and not combine all indicators into one measure
Michael B. Porter (Porter M. E., 2014)	Better Measuring a Country	Less Criticism	Suggests Social Progress Indicator; criticises HDI	-
Ben Beachy & Justin Zorn (Zorn B. B., 2012)	Counting What Counts: GDP Redefined	Amoral, ignores environmental degradation	Suggests Genuine Progress Indicator, Sustainable Economic Welfare, Quality of	One benchmark with all indicators should be created instead of a dashboard of many separate variables

			Development Index; criticises Subjective (GNH, etc.) and Objective (HDI) indices	
Robert Costanza, Maureen Hart, Ida Kubiszewski and John Talberth (Robert Costanza M. H., A Short History of GDP: Moving Towards Better Measure of Human Well-Being, 2014)	A Short History Of GDP: Moving Towards Better Measures of Human Well-Being	Ignores environmental degradation, depletion of natural resources, inequality in wealth distribution	Gives a brief description of all alternatives; no specific suggestions	Global economies should build consensus and arrive at new measures
Joe Miller (Miller, BBC News, 2014)	Move Over, GDP. How Should You Measure a Country's Value?	-	Suggests Social Progress Indicator, Better Life Index	-
Robert Costanza, Maureen Hart, Stephen Posner and John Talberth (Robert Costanza M. H., 2009)	Beyond GDP: The Need for New Measures of Progress	Amoral, Ignores natural resources depletion, voluntary work, quality	A list of all alternatives along with descriptions; no specific suggestions	-
David Pilling (Pilling, Financial Times, 2014)	Has GDP Outgrown Its Use	Amoral, ignores depletion of natural resources	Suggests Better Life Index, HDI; criticises GNH	For the time being, no replacements will occur
John Thornhill (Thornhill, Financial Times, 2009)	A Measure Remodeled	Amoral, ignores quality, depletion of natural resources, environmental degradation	Talks about HDI; no specific suggestions	-
Barry Libert & Megan Beck (Beck, Harvard Business Review, 2015)	GDP Is a Wildly Flawed Measure for The Digital Age	Ignores digitization; quantity over quality	-	-
Zachary Karabell (Karabell, Harvard Business Review, 2014)	Forget GDP: We Need Numbers That Matter for The Questions We Have	Maximalist use	Talks about GNH, HDI; no specific suggestions	New national indicators are not needed, policymakers have to start looking at the right numbers

Selin Kesebir (Kesebir, Harvard Business Review, 2016)	When Economic Growth Doesn't Make Countries Happier	Less Criticism	-	-
Chris Meyer & Julia Kirby (Kirby, Harvard Business Review, 2011)	Is GDP The Right Measure of Wealth and Well-Being	Ignores environmental degradation	Talks about Prosperity Index; no specific suggestions	-
Lisa Napoli (Napoli, Harvard Business Review, 2010)	Beyond GDP	Mild criticism	Talks about GNH and its criticisms, Genuine Progress Indicator; no specific suggestions	Alternatives should be realistic, rather than subjective
Chris Meyer & Julia Kirby (Kirby, Harvard Business Review, 2011)	Beyond GDP: How the World Economies Stack Up	Very little criticism	Talks about Prosperity Index; no specific suggestions	-
Ian Castles & Treasury (Treasury, Economic Growth: Is It Worth Having?, 2014)	Economic Growth: Is It Worth Having	Ignores environmental degradation, natural resource depletion	-	-
Justin Fox (Fox, The Economics of Well-Being, 2012)	The Economics of Well-Being	Ignores natural resource depletion, environmental degradation	Talks about HDI, GNH, Prosperity Index; no specific suggestions	-
Diane Coyle (Coyle, The Globalist, 2014)	Warfare and the Invention of GDP	-	-	-
Elizabeth Dickinson (Dickinson, Foreign Policy, 2011)	GDP: A Brief History	Does not suit current economic scenario	Talks about GNH, HDI, China's Green GDP, State of the USA; no specific suggestions	-

From Table – 1, it can be observed that, although a lot of authors have talked about various alternatives to GDP, only some of them have specifically suggested a few. The same has been compiled into Table – 2.

TABLE – 2: Suggestion from reviews of literature.

Author	Title	Suggestion
Tim Dean	Dethroning GDP As Our Measure of Progress	Genuine Progress Indicator
Diane Coyle	The Ups and Downs Of GDP	Better Life Index
Michael B. Porter	Better Measuring a Country	Genuine Progress Indicator
Ben Beachy & Justin Zorn	Counting What Counts: GDP Redefined	Genuine Progress Indicator, Sustainable Economic Welfare, Quality of Development Index
Joe Miller	Move Over, GDP. How Should You Measure a Country's Value?	Social Progress Indicator, Better Life Index
David Pilling	Has GDP Outgrown Its Use	Better Life Index, HDI

Out of all the authors who suggested various alternatives, 30 per cent trust the Better Life Index to be the best alternative to replace GDP (as shown in Figure 1)

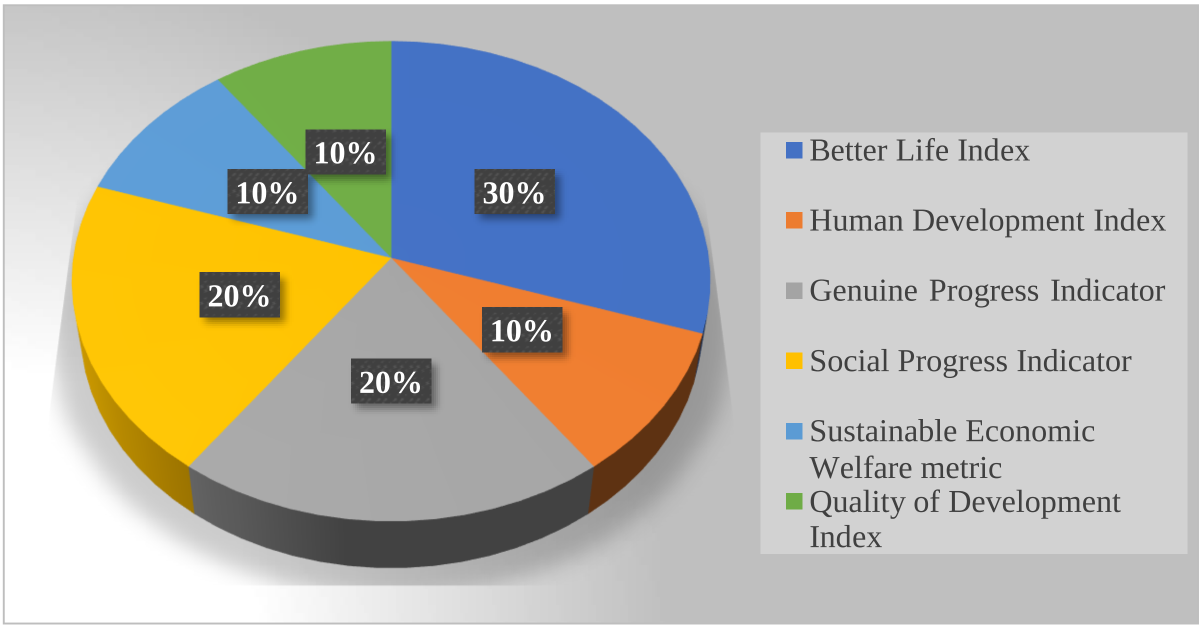

Figure 1 – Suggestions of authors of the papers/articles selected for the study

So, what exactly is the Better Life Index?

The Better Life Index

The Better Life Index, which took almost a decade to go from conceptualisation to implementation, is a dashboard of 11 indicators developed by the Organization for Economic Co-operation and Development (OECD) in May 2011, on its 50th anniversary. It is an interactive tool which enables people to see how a country is performing based on the importance they give to each of the 11 indicators. The 11 indicators, along with the tools within each indicator are as follows:

→ Housing (Housing expenditure, dwellings with basic facilities, rooms per person)

→ Income (Household financial wealth, household net adjusted disposable income)

→ Job (Job security, personal earnings, long-term unemployment rate, employment rate)

→ Community (Quality of support network)

→ Education (Years in education, student skills, educational attainment)

→ Environment (Water quality, air pollution)

→ Civic Engagement (Stakeholder engagement for developing regulations, voter turnout)

→ Health (Self-reported health, life expectancy)

→ Life Satisfaction (Life satisfaction)

→ Safety (Homicide rate, feeling safe walking alone at night)

→ Work-Life Balance (Time devoted to leisure and personal care, employees working very long hours)

Figure 2 – Better Life Index's framework for measuring well-being and progress (*Source: OECD*)

Symbolically, each country is represented as a flower consisting of 11 petals (as shown in Figure 3), each petal representing the 11 indicators. The length of the petal indicates the score of the country in the area of that particular indicator – the longer the petal, the higher the score and vice-versa. While viewing which country has what score in the 11 different areas, based on the level of importance one gives to each indicator, one can also get a detailed information pertaining to the 11 indicators, about the country they select.

Figure 3 – The Better Life Index representation (*Source: OECD*)

The Better Life Index incorporates both subjective and objective aspects into it. All data pertaining to the objective aspect is collected from official sources such as OECD's database, National Accounts of countries, among others. Whereas, in case of the subjective aspect, the data is collected from unofficial sources – mainly from the Gallup World Poll.

Moreover, people can visit the website and give their inputs by ranking the 11 indicators based on their preferences. The inputs thus given by different people gets recorded, country-wise, and the aggregate can be viewed by the governments and policy-makers to understand what the citizens of their country want, and formulate policies accordingly. This is the only metric that lets people chose what they want to measure. This interactive system enables the citizens to be a part of their country's planning and decision-making system.

The Better Life Index applies to all 35 countries of the OECD along with Brazil, Russia and South Africa. The Index also plans to cover the OECD's other key partners viz. China, India and Indonesia over the coming years (N.A., OECD Better Life Index, n.d.)

Discussion

It is quite evident now, that the Better Life Index is a better measure of a country's well-being and progress as opposed to GDP. The following points validate this statement:

i. The Better Life Index is an interactive metric. People all over the world can view the ranking of countries based on the importance they give to each of the 11 indicators. Moreover, the Index records people's responses (of their ideal index) which can be viewed by governments to understand their people's wants and formulate policies accordingly.
ii. The Index incorporates into it, various factors that were absent in the GDP. This includes the environmental aspect, safety, people's level of life satisfaction, among others.
iii. The Index is a subjective as well as an objective one. It is not all about numbers, unlike GDP. It considers people's feelings and opinions too.
iv. The Index considers outcomes instead of inputs and outputs (Durand, 2017). For example – Country A spends a lot more on healthcare than Country B does. However, the people of Country B are healthier than those of Country A. Hence, the Index takes into consideration the outcome of the spending and not the size of spending.
v. The Index ranks countries differently across its dashboard of 11 indicators. As a result, there is no No.1 country according to the Better Life Index. There are only rankings of countries based on the indicator/s one chooses to view.

All the above points prove that the Better Life Index is, in fact, a better measure of progress and well-being that GDP. This measure can be easily adopted by countries, as no major changes need to be made in the statistical measurement process. Moreover, it will be a smooth transition as citizens will support this change, as a result of which there will be co-operation between the government and the people.

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Conclusion

GDP was developed during a period dominated by wars and mass manufacturing. The scenario is no longer the same - global economies are relatively peaceful, and we have transitioned from manufacturing economies to those dominated by services. According to the World Bank, services, in 2015, accounted for 69 per cent of GDP as against manufacturing, which accounted for a mere 15 per cent (It is ironical to use these figures in this paper; however, this has only been done for the purpose of comparison.) Global economies have undergone such a huge change over the past century, yet, we are still using the same methods of measuring economic growth as we did 80 years ago.

In order to bring about a change, we have two options before us – either replace GDP or stop using it as a measure of well-being. However, in spite of Simon Kuznets himself issuing caveats as to not equate GDP with well-being, we as a society have ended up doing just that. Over the years, other economists, statisticians and experts have also warned us not to use GDP the way we do, however, we did not heed these warnings. Hence, the only option left is to replace GDP entirely.

The Better Life Index has emerged as the best alternative to GDP, according to the study undertaken in this paper. Moreover, the adoption of this Index by countries will be easy as they need not make major changes in terms of statistical measurement, and also, the citizens will support this change as a result of which the transition will become smooth.

GDP is not wrong, it is wrongly used (Joseph Stiglitz). Governments and policymakers need to understand that running only behind numbers will not do any good. It is high time we replace a measure that has been in place for over eight decades with a metric that is dynamic in nature. This metric should be one which takes into consideration not only the present economic conditions, but also has scope to incorporate into it future economic conditions in order to keep up with the ever-changing global economic scenario.

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Speed Hiring: Banking On Time - A Possibility for Bankers

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Abstract

In a rapidly changing world since long there has been a need in the global economy for speed, innovation and low costs in all business functions. This is especially true for the banking industry, which is the back bone of any successful country. In the start-up sphere, due to the growing need to reduce costs there has been rapid strides in innovative ways to reduce the costs for different business functions. This has led to the development of Speed hiring, which makes use of a 12-minute test to test the cognitive ability of prospective candidates after which suitable candidates are chosen. This paper studies speed hiring by using pre-existing literature to scrutinise it. It is concluded that speed hiring works best for small firms and the tool for evaluation should take into consideration more elements as well as use some of the modern trends in hiring to ensure a more comprehensive view of the employee, leading to a better hiring choice. This could in turn help the right talent to be employed by the company, in turn aiding the banking industry to grow through well deployed human capital.

Keywords: Managers, Recruitment, Banking industry, Workers, Speed hiring
JEL code: M51

Introduction

In a rapidly changing world since long there has been a need in the global economy and various proposed ideas to solve the same, for speed (Gregory & Rowling, 2016; Ritala et al., 2016), innovation (Teece, 2010; Chesbrough, 2013) and low costs in all business functions. (Pfeffer, 1994) It is in this dynamic environment that Human Resource is now trying to add value to the changing organization. (Khan, 2007) One of the key Human Resource functions which has gained a lot of importance is the process of getting the right people on board or recruitment, with Chief Executive Officers of companies often putting a significant amount of time and energy into getting the right people into their company. (Hector, 2015) The future of hiring is the smartification of the recruitment process, hiring is not bound to the years of experience and degrees but finding ways to judge the skills and ability. (Vaccaro, 2014) Faster, cheaper and better is the mantra for organizations. (Sullivan, 2014) This is especially true for the banking industry in India which is the backbone of the country and is always in need for top talent. With the need to recruit top talent given the current constraints, a war over talent has been waged among all firms across different industries. (Ulrich, 2016; Elving et al., 2013; Li & lowe, 2016; Harvey, 2013)

Speed hiring is as the name suggests a speedy way of recruiting employees by using a 12-minute test. Such lean methods save costs with fewer resources being required for the recruitment process and thus it helps in finding the best candidates for the job with the least usage of resources. However, the question remains whether this compressed means of measuring an employee is sufficient to take proper recruitment decisions in the banking industry.

Literature review

II. (a) **Banking Industry**:

The Indian banking sector is flourishing and has 43 foreign banks, 25 private sector banks, 26 public sector banks, 1,589 urban cooperative banks and 93,550 rural cooperative banks. This sector is expected to grow to 11 –13 percent by the financial year 2017 according to Standard and Poor's. (IBEF, 2017)

The Indian banking industry has been able to hold its own and claim a unique and undeniably important place in the world. The Reserve Bank of India has very well regulated the banking sector of the country. Indian banking sector has been successful in shielding itself against the world turndown. The most recent addition to this sector has been 10 payment banks and 11 small finance banks in the year 2015-16. (IBEF, 2017)

Indian banking sector is under the pressure of non-performing assets and stationary growth of loan in the world's second most populated country, but still it has managed to produce value in banking. (Thomas, 2017)

Below is the table showing the percentage of Net and Gross NPA and Stress assets from the year 2013 to 2016 which is increasing incessantly and is believed to be a matter of serious concern by the year 2017 when it is expected to reach at 8.5 and 9.3.

NPA	Net NPA%	Gross NPA%	Stressed assets%
Mar-13		3.4	9.2
Sep-13	2.3	4.2	10.2
Mar-14	2.2	4.1	10
Sep-14	2.5	4.5	10.7
Mar-15	2.5	4.6	11.1
Sep-15	2.8	5.6	11.3
Mar-16	4.6	7.6	11.5
Mar-17	8.5	9.3	

(Rathore, Malpani, & Sharma, 2016)

Table 1: Net NPA, Gross NPA and stressed assets till March 2016

NPAs add extra pressure on banks to cut costs. This may come at the cost of compromising the various Human Resource functions in the firm. This compromise might in the short run save costs but in the long run creates an institutional crisis where the right talent is not available to enable the firm to grow.

Hiring process:

Bank group/Year	Public		Private		Foreign	
	No. of staff	Cost per employee	No. of staff	Cost per employee	No. of staff	Cost per employee
1999	883648	167940	60777	169307	15505	496539
2005	741480	339478	81040	363120	20002	682311

Bank group/Year	Public		Private		Foreign	
	No. of staff	Cost per employee	No. of staff	Cost per employee	No. of staff	Cost per employee
2006	744333	367821	110505	368977	22117	906618
2007	728878	381449	137284	383439	28426	1083927
2008	715408	400611	158823	447920	31301	1335477
2009	731524	472493	176339	483501	29582	1650978
2010	739646	555874	182520	516491	28012	1679855
2011	757535	715914	218679	563154	27969	1931768
2012	771388	744790	246042	599888	26472	2172241

(Jayaraman & Srinivasan, 2014)

Table 2: Cost of hiring for banks over the years

From the above statistics, it is alarming to see the median increase in hiring costs for a sin (without accounting for inflation) for the Public sector is 13.00%, for the private sector is 7.38% and for foreign banks is 21.38%.

While each bank has a different hiring process, the hiring practices of some have been discussed below:

Standard Chartered: Standard Chartered bank like other banks and corporates has a traditional approach of hiring which are applying online and then go through the interview and assessment tests. The assessment tests are the Ability test, Talent Assessment and Simulation Assessment. (Standard Chartered, 2011)

State Bank of India: The hiring procedure initiates with the examination which is divided into two divisions which are Prelim and Mains. Prelim exam has to be cleared in order to qualify for Mains in which the candidates equivalent to 20 times of the vacancies sit for the exam. The marks scored in descriptive and objective sections are calculated and those who qualify are called for the interview and Group Discussion rounds. The candidates who qualify the mains and interviews are appointed by SBI. (Patra, 2017)

Axis Bank: Axis bank looks for the candidates having high integrity and good communication skills. The procedure of hiring is very fundamental in nature. It comprises of two sets which are the interview and the four-module test comprising of English, Quantitative ability, Logical reasoning and questions on Personality. The candidates those who align well with the parameters are selected.

Investment banking sector can be termed as the most difficult to enter. Take for instance that the acceptance rate is just 1.8 % in Goldman Sachs. To get hired in the investment banks, students should apply in their workshops and spring weeks in the first year. In the second year, they should apply for the internship in the investment banks where they need to fill for the application form, go through a psychometric test, and then wait for the interview call, if selected in phone or video interview, candidates have to grow through a round of personal interview and if selected, an internship letter is offered to them. After an individual proves itself to the company, it can apply for the job in the third year of college. (Butcher, 2016)

These hiring processes, while ensuring that the quality of talents is not compromised is a big investment in both time and costs. It is worth then looking at alternate ways to quickly get this talent pool into the organization in a highly competitive field.

Origins of speed hiring

Speed hiring's origins can be traced back to the rise of start-ups in India. In 2015, India was 3rd in the world in terms of its start-up ecosystem, only behind the U.K. and US. (Press Trust of India, 2015) It is in this vibrant economy that Venture capitalists (VCs) and angel investors are investing in these companies. They tend to invest in start-ups to help them reach scale over a short period of time and provide management skills and support along with debt financing (unlike bank loans) in exchange for a stake in the company. These VCs also help bring a certain formalisation of Human Resource practises for their investments. (Baron, Burton & Hannan, 1996)

While promising, the funding for these start-ups has slowed down, since now investors are focusing on profitability instead of expansion of the business, leading to the closure of several big unprofitable players (Singh, 2016; Press Trust of India, 2016) Added to this are the multiple other hurdles that start-ups face when seeking financing options for their new business ideas.

(Sharifi & Hossien, 2015; Sarkar, 2016) One of the key differentiators that has been identified in this space is talent in the form of identifying, retaining and helping grow skilled employees. (Chokhani, 2017) Using employees are key differentiator is not news in the start-up space, where companies compete fiercely for the talent on and off campuses, even competing with bigger established players in a bid to grow faster. (Economic Times, 2014) Despite this sort of aggressive pursuit for key talent and recognition that this factor is a key differentiator, start-ups in India are facing high attrition rates, close to 30% at midlevel and 25% at junior levels. (Sapam, 2015)

In this race for capturing top-notch talent it is important to focus on one a key element; which is recruitment, the very first stage of investing in human capital. In the present environment where every rupee is being shaved wherever possible firms are adopting the new trend which is turning conventional recruiting logic on its head: Speed hiring. It is important to first study traditional recruiting strategies to properly understand the evolution of Speed hiring.

Traditional recruitment techniques

It is important to discriminate between speed hiring and traditional hiring to gain some perspective on this new development. Recruitment has been a subject of much discussion with a lot of existing literature which have explored the process in great depth. (Armstrong & Taylor, 2014) Though the recruitment strategy might differ from company to company, the basic process remains the same. In the contemporary business environment tools like Skype, facetime etc. are extensively used for the interviewing employees (Recruiting.com, 2013) while the process of identifying employees is today making use of websites such as LinkedIn to contact this skilled workforce (Chacos, 2012; Sarah K White, 2016 Melanthiou; Pavlou & Constantinou, 2015; Faour & Heinze; Girard, Fallery & Rodhain, 2014; Olivas-Lujan & Bondarouk, 2013).

The process which may differ from one organisation to the next follows the same overall structure:

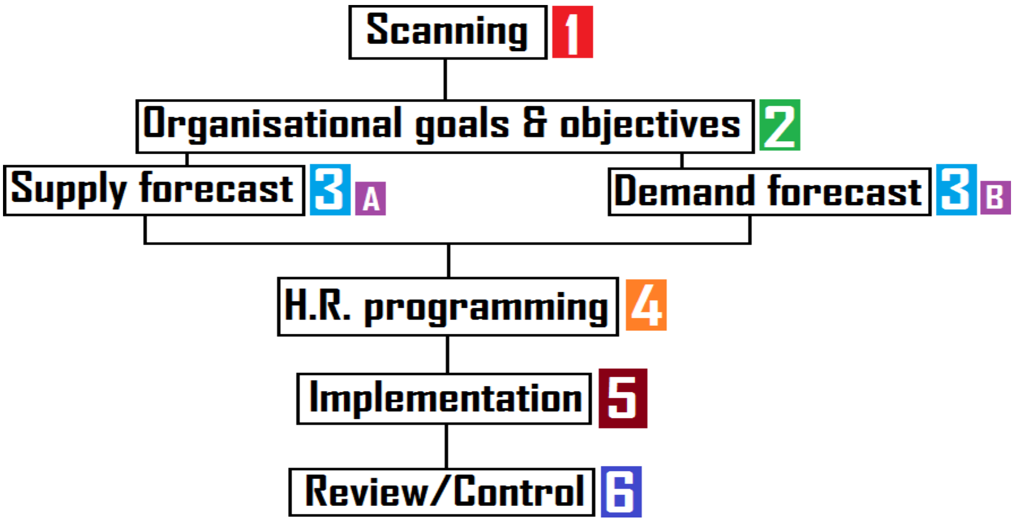

Figure A1: Hiring process

Environmental scanning involves analysing the current business environment to understand the context in which the organisation shall have to recruit. The recruitment process is the result of the future needs of the organisation, which shall determine what kind of employees are required. A & B in Figure-1 is the forecasting of the number of people required (demand forecast) to the number of people already working in the organisation (supply forecast). HUMAN RESOURCE programming is the strategy mapped out including whom to recruit, from where to recruit them, the criteria based on which they will be recruited etc. Implementation is the actual execution of the strategy in review/control, the recruitment drive is scrutinized to determine its effectiveness.

Novel techniques being used to in recruitment today:

a) Employer branding

The concept of employer branding is being used today to snag top talent from rival organisations. Employer branding has been defined and described in many ways however, for this study it is defined as "The reflection of a potential employee's beliefs that their employment needs will be met by the employer" (Wallace, et al., 2014) or in a more elaborate fashion as "the package of functional, economic, and psychological benefits provided by employment, and identified with the employer company" (Ambler & Barrow, 1996). Through employer branding, organisations can attract the best workforce available by creating a strong brand. Organisations are using different measurements to evaluate their own employer branding strategies and there exists adequate literature on the same. (Hillebrendt, Ivans & Krey, 2016; Mosley, 2016) Some strategies that firms employ:

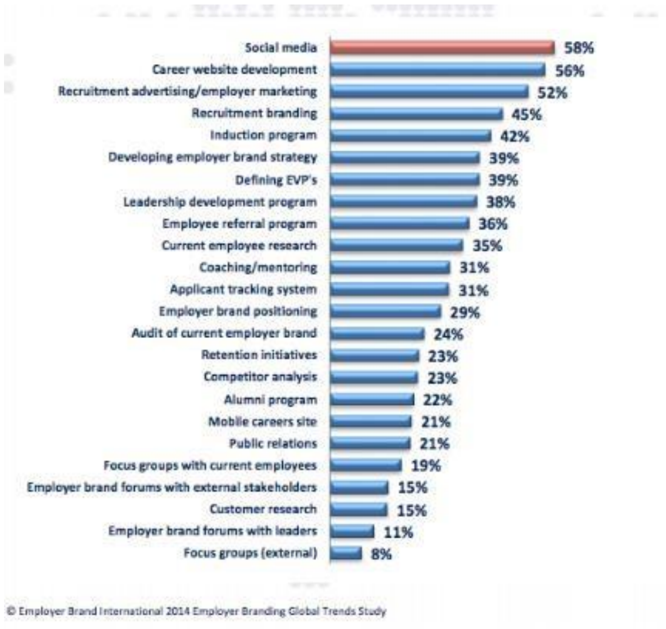

Figure B1: Usage of different hiring channels

b) Technology

Technology today is playing a very influential role in how companies are connecting with potential hires (Cappelli, 2001; Gupta, 2016; Edwards, 2016; Stone et al., 2015). This extends to more effective interview assessments with the help of technology. (Blacksmith, Willford & Behrend, 2016; Marshall, 2017)

Companies around the world today are using various other techniques to speed up the hiring process, from delaying or forgoing interviews and having back to back interviews to save on time (Pollak, 2015) and forgoing resumes and using apps to test employees on different parameters through job related situations which they can take their own time to solve them (currently being provided by the U.S. based company Compose). (Yocum, 2015)

Another notable development is speed dating for jobs, a concept being pioneered by Hirelite. Here participants engage in 10 interviews through video chat of 5 minutes each. Then the both parties choose which firm/candidate they found appealing. This mutual match is then put in touch with one another and can then schedule another conversation with one another. (Hirelite, 2016)

c) Gamification

Gamification can be defined as "a process of enhancing services with (motivational) affordances in order to invoke gameful experiences and further behavioural outcomes" and as "the use of game design elements in non-game contexts" (Deterding et al., 2011) Gamification can be used in recruitment by turning the process of evaluating a person's cognitive intelligence or knowledge which is a pre-requisite for the job they are applying for through industry oriented quizzes, games such as quests centred around the company and quizzes to evaluate a person's behaviour. (Recruiterbox, 2015) In fact, the Topcoder community website holds multiple competitions to identify potential future hires with good programming skills, using the game elements of a competition to find potential recruits without having to go through the entire process of calling and identifying candidates for recruitment. (Simpson & Jenkins, 2015) A lot of literature has shown how gamification is being used in not only recruitment but other fields of Human Resource as well and with great success. (Armstrong, Landers & Collmus, 2016; Chow, 2014; Ferrell et al., 2016; Dery, Tansley & Hafermalz, 2014; Perinot, 2016; Prakash & Rao, 2015;) The key challenge in using gamification is linking it to the business functions (Callan. Bauer & Landers, 2015) If an organisation uses a fun quiz on its industry while what is required is a coder who will be required to maintain their servers, it would not be beneficial.

2. Speed hiring

Speed hiring evolved out of traditional hiring processes due to the numerous internal bottlenecks they suffered from like coordination problems during interviews etc. (Barrett Rose & Lee, 2016). It is about filtering the eligible candidates in a short period and evaluating them for their cognitive abilities and aptitude. Therefore, speed hiring helps in filling positions for the job quickly to avoid disruption in the organization's activities. (Barrett Rose & Lee, 2016) This recruitment process is employed by organizations that are fast paced and for whom time is money. Thus, e-commerce companies for e.g. Flipkart, Zomato, Snapdeal, Quikr etc. having been using this technique to hire their employees. (PTI, 2016) The key rationale is for start-ups to get employees without burning too much money on the hiring process and for big firms to get junior level staff with minimum time lag into the organisation. Though created in the context of the constraints faced by start-ups, it is catching the fancy of the market and could prove to be very useful for the banking industry.

The crux of speed hiring is the 12-minute test (known as the Cognitive Ability Speed Test or CAST developed by CoCubes Technologies) which tests candidates on competencies in

English grammar, percentages, ratios and inductive reasoning to assess the cognitive abilities of the candidate. (India, 2015; TechStory, 2016). This test has shown an 81% correlation with the acceptance ratio.

Advantages of Speed Hiring

a) Speed

Speed hiring might be a new concept but however the desire among Human Resource professionals for a speedy recruitment process is not a new need, with the need for such practices having come up in more than 15 years ago, in focus group discussions with members of an association of recruiters in the information technology space. (Lockwood & Ansari, 1999) In fact these recruiters believed that and to quote them ‘time is of the essence’ in recruitment and that these employers would need their prospective employees to employ their employees one week from the job offer. Even in American government organizations various moves such as decentralized hiring (operating agencies localize the hiring process under the supervision of the central Human Resource system), flexible certification (creating nimbler ways to identify potential candidates to interview), shifting the hiring process on-line etc. are being used to speed up the process. (Lavinga, 2002)

A slow hiring process is a combination to the demand for the job by the candidates. Companies might forfeit the top candidate(s) due to this as the candidate might accept another job while the company is still in the middle of the selection procedure. The candidates would choose another job instead of being uncertain about getting selected or rejected. (Sullivan D. J.)

b) Costs

The process of hiring is an expensive affair which tends to rise with the profile of the job. (Barron, Bishop, & Dunkelberg, 1985) In fact it has been empirically proved that if the employee is referred to the head hunter via “personal contact” the repository of trust worthy information obtained via the personal is also highly valued in making the hiring decision. (Grannovetter, 1974) Hiring skilled employees tend to be expensive, costing between 10-17 weeks and at worst 24 weeks wages depending on what is the size of the organisation. (Blattera, Muehlemanna, & Schenkera, 2012)

It does not improve the quality of the employees hired even though the company might have taken a long time to gather information and feedback. In many cases, it just results in attrition of productive and efficient candidates who could have been hired had the process been brisk. (Sullivan D. J., 2014) Therefore a slow hiring process also impacts productivity and revenue negatively. (Mahrer, 2014) Productivity suffers as the position remains vacant for weeks until a new employee is designated to fill in. If the process is tedious, reputation of the company would also suffer in the eyes of the candidate, who might feel unsatisfied looking at the opaqueness of the process and the red tape culture. (Palcisko, 2016)

Interesting, the salaries tend to get raised as the employees would gain knowledge about their real value in the market due to the time taken by the companies to hire them leading other companies to offer a higher bid. In fact, statistics show that companies end up giving 25% more than the value of the employee. (Nair, 2016)

Dr John Sullivan reported "Top 10% of the total candidates are gone from the marketplace in the first 10 days of recruitment and the recruitment cost of missing one game-changer is about $1million." (Noah Mahrer, 2014). An extended hiring process increases the hidden cost for hiring as they are not included in the calculation of standard cost per hire. A lengthy process will require more recruiters, management and the superfluous time each employee had to devote. (Sullivan D. J.)

c) Cumbersome process

The philosophy of scientific approach to diverse recruiting is in trend nowadays is that the search must be for employee who are competent enough that have the necessary skills, knowledge and education for the job and must be capable to complete the tasks involving critical thinking. (Hall, The 7 C's: How to Find and Hire Great Employees, 2015). The recruitment strategies of all companies are diverse and customized to the needs and requirements of their sector or industry. This process involves hiding irrelevant information that might provide an opportunity to get biased like background information. Firms like Google and Deloitte have adopted this method (Sullivan D. J., 2015). However due to the multiple procedures that go into the entire system, it makes it complex and cumbersome.

Blind spots of Speed Hiring

a) Biases

Though used in the context of discrimination, bias can be beautifully defined as "differential treatment given to people based on their perceived membership in a category" (Dipboye, 2016)

Biases tend to play an unconscious role in the hiring process either positively or negatively impacting certain groups based on their identity.

Whether it is profiling based on race and ethnicity (Bursell 2007; Derous, Pepermans & Ryan, 2016; Zschirnt & Ruedin, 2016; Ariel, Tobby-Alimi, Cohen, Ezra, Cohen & Sosinski, 2015; Aquisti & Fong, 2015), sexuality (Ahmed, Andersson & Hammarstedt, 2013; Drydakis, 2015; Everly, Unzueta & Shih, 2016; Baily, Wallace & Wright, 2013), gender (Riach & Rich, 2006; Daloria & Koedel, 2016; Davidson & Burke, 2000) disability (both physical and mental) (Bendick, 2016; Hipes, Luas, Phelan & White, 2016; Gouvier, Sytsma-Jordan & Mayville, 2003; Kaye, Janes & Jones, 2011) and even age (Fisher, Truxillo, Finkelstein & Wallace, 2016; Sink & Bales, 2016), there is a plethora of literature established to show that biases are predominant in the hiring process. Even experienced recruiters are not immune to this effect, though albeit to a smaller degree. In a study performed, it was found that less attractive female applicants were at a disadvantage irrespective of the level of experience of the person who oversaw hiring them. (Marlowe, Schneider & Nelson, 1996)

Diversity (both in gender and race) in hiring has a positive impact on business productivity through enhancing the organisation's creativity, flexibility to change, problem solving capabilities (Cox & Blake, 1991) and innovation (Ozgen, Nijkamp & Poot, 2013) among other factors. However, one must also consider the costs of integration (Kahane, Longley & Simmons,2013) and cultural barriers established due to such a diverse workforce. (Rivas, Conlon & Burns, 2016)

Despite these integration costs, multi-diversity has a positive impact on business which cannot be neglected. Biases present themselves to be a big often unconscious barrier to hiring a very diverse workforce when speed hiring. This barrier transcends experience and even the best Human Resource professionals might make miscalculations while hiring if it is only a matter of 12 minutes or less.

b) Motivators

The process of recruitment also has the arduous task of finding employees with the right motivators. Motivating employees has been a topic of discussion in academic circles (Peck, 1993; Herzberg, 1996; Lynch, 2008; Dhanoa,2014). It must be kept in mind that recruitment is the first step of assessing whether the person will stay in the organisation by means of the motivation he/she has towards the job. Research has shown that intrinsic motivators are the best indicator for a person's willingness to give it their all, regardless of incentives. (Cerasoli, Nicklin & Ford, 2014) Even extrinsic rewards such as good wages (which may be a chief concern for most employees) has intrinsic motivational factors such as the fact that this monetary benefit enables the person to ensure their family's well-being. (Wiley, 1997) Speed hiring runs the risk of not giving the employer a chance to fully understand candidates and therefore make informed choices. Take for instance whose only motivation is the pay-check. To ensure good performance form such an employee, firms would have to keep throwing increased monetary compensation to ensure that they perform. This is both expensive and can lead to easy attrition if other firms promise to out-pay the employee.

c) Right fit

Finding the right employees for the job is of utmost importance in an organisation. Employees impact the productivity of the organisation in sectors as diverse as hospitality (Gould-Williams, 1999) and at times even surprising way, such as its impact on Total Quality Management. (Ahmed & Schroeder, 2002) Therefore it is important not only to look at hiring as employing people but also as a process of culture matching, which is especially true in the case of professional services or highly skilled white collared workers. (Rivera,2012) Employees might find conflict between their professional identities and personal identities, and this dissonance may yield in dissatisfaction since the employee is now reduced to playing an actor to fit into the image of the ideal employee to succeed in the firm and move up the ranks. If unable to contend between these two identities, they may be deviants in the organisation and may be penalised for the same. (Reid, 2015) Thus culture becomes very important for employees to work efficiently in a firm.

d) Emotional intelligence

Emotional intelligence is defined as "a form of social intelligence that involves the ability to monitor one's own and other's feelings and emotions, to discriminate among them, and to use this information to guide one's thinking and actions" (Salovey & Mayer, 1990) Emotional intelligence is a now emerging metric for assessing how effective an employee can be and has generated significant interest in the last two decades. (Salovey & Grewal, 2005) Emotions add another dimension to a person's knowledge which in turn influences their behaviour and decisions. (Druskat, Mount & Sala, 2013) Emotional intelligence has been shown to impact performance in a team, both as a member of the team as well as the team leader (Rapisarda, 2002; Carmeli, 2003; Zeidner, Matthews & Roberts, 2004; Stubbs & Wolff, 2008; Prati et al., 2003), organisational productivity (Singhal, Garg & Saxena, 2014; Nair, Gopal & Babu) and even stress (Schneider, Lyons & Khazon, 2013; Armstrong, Galligan & Critchley, 2011) It is also interesting to note that as cognitive intelligence decreases, emotional intelligence compensates for it, ensuring better performance from the individual. (Cote & Miners, 2006) Emotional intelligence can be measured using multiple scales such as Emotional Competency inventory (ECI), Bar-on Emotional Quotient Inventory (EQ-i), Multifactor Emotional Intelligence Scale (MEIS) etc. (For more on these tools and other measurement tools, the reader is recommended to refer to Conte, 2005) Emotional Intelligence finds no place in the process of speed hiring which places a premium on cognitive abilities. Therefore, employers stand the chance of rejecting emotionally intelligent employees while (more dangerously) hiring emotionally unintelligent employees who may hamper the productivity of the organisation.

3. Key differences

Traditional recruitment	**Speed hiring**
Has been in use for a very long time.	Is a recent development.
Has wide acceptance and usage across different sectors in the industry.	Is currently being employed by start-ups, especially e-commerce firms.
Typical recruitment drives are long (Taking on an average 22 days in the US) (Collamer, 2015).	Speed hiring aims to reduce the time it takes to hire employees, all the way down to just one day.
Traditional recruitment makes use of numerous rigorous tests to assess candidates.	Speed hiring uses a 12-minute aptitude test.
Tests personality job fit of the individual.	The process does not assess the personality job fit of the individual.
The traditional methods are relatively more expensive.	Speed hiring is relatively cheaper.
The process becomes cumbersome and complex.	The process is lean and relatively simple.

Table 4: Comparison between traditional and speed hiring

Conclusion

From the comparative analysis, this paper concludes that:

1. Speed hiring is a cost and time saving measure which enables organisations to hire on an immediate basis.

2. The process also simplifies the cumbersome process that most banking recruitment drives invariably suffer from.

However

1. The paper also notes that biases can creep into the system while evaluating the candidate on the part of the evaluator.
2. The assessments do not test emotional intelligence and therefore provide an incomplete assessment of the candidate.
3. The evaluator does not get a good sense of the candidate and thus there may be inconsistency in terms of cultural fit of the employee as well as the motivation factors

Speed hiring as a process is not flawed but it is not the best choice for the banking industry. It has been noted that smaller organisations tend to work with more informal processes (Kotey & Sheridan, 2004) and therefore speed hiring would make for a better option for them. These informal networks also tend to circumvent the process of vetting for cultural fit since there are reliable sources to get this information. (Taylor, 2006) Since the process solely the cognitive capabilities of the employees, it is advisable for firms in the banking industry to:

1. Use it for roles in the organisation that are knowledge intensive and require specialists in that field.
2. Test emotional intelligence along with the CAST assessment to understand whether the individual is emotionally compatible.
3. Actively use employer branding to attract talent and thus further reduce costs of finding employees.
4. Use gamification in the recruitment process to improve employer branding and to create simulations which use emotional and cognitive intelligence (may be used as an additional technique to assess employees). It may also be used to find the motivations of employees through clever use of game design.
5. Using crowdsourcing to further cut down on costs for the organisation.

Limitations

1. The assessment has been made through literature review and no primary data has been employed.
2. The study has been made very early in the development of speed hiring which may evolve over a short period of time.

3. There is possibility for more focused research on application in the banking industry.

Further scope for research

This paper has been written keeping in mind that speed hiring is a recent development to a very valid need of the modern start up i.e. to save on costs and in its nascent stage does not merit having a final judgement being passed on it. Further research can look at how this development is impacting organisations through indicators such as attrition, productivity (can be measured through profits) etc. This can help judge if the technique works for the banking industry. Use of technology to improve recruitment, especially technologies such as artificial and virtual reality which have not yet been explored or implemented by industry can also be considered in future work. There is no established model linking the different aspects of the new developments and elements of speed hiring. Further research can also look to improving the process. Speed hiring can also be studied for its viability in other countries.

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Social Media Marketing as A Key to Social Change

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Abstract

Social advertising—another showcasing apparatus—can be an awesome resource if utilized legitimately. The gainful impacts of social advertising for a business and social change can be enormous, however one must recall that it must be utilized as a part of the most productive conceivable way. Social advertising likewise faces critical hindrances to development in light of the fact that there is no reasonable comprehension of what the field is and what its part ought to be in connection to different ways to deal with social change. Nonetheless, development is conceivable through increments in social advertising's offer of rivalry at the intercession, topic, item, and brand levels

Key Words: Social media, Social change

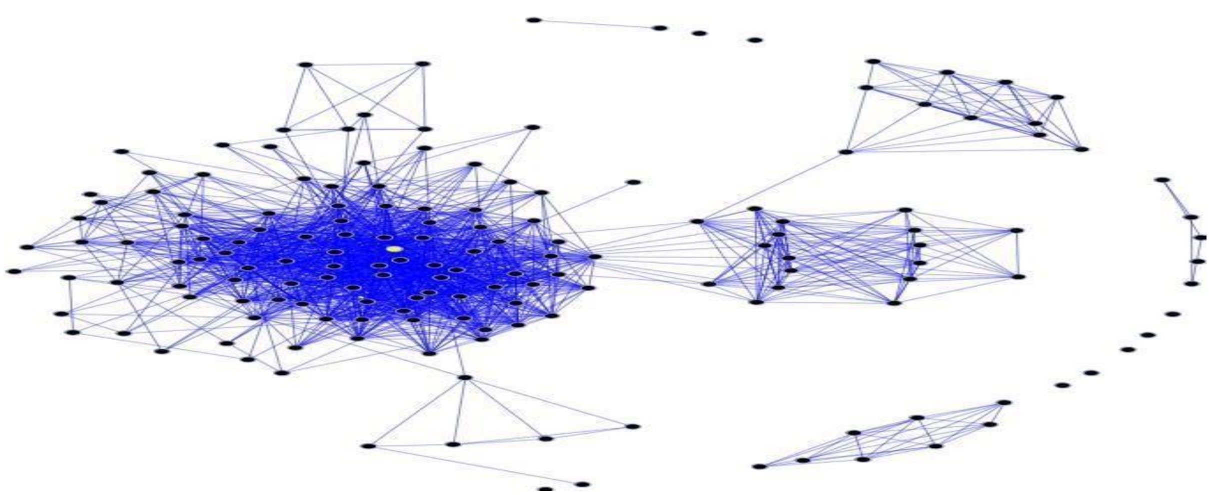
Introduction

Some History Originally stimulated by an article by a sociologist, G.D. Wiebe (1951– 52), in the 1950s, social marketing's intellectual roots within the marketing field are found in Kotler and Levy's (1969) and Kotler and Zaltman's (1971) work (see also Elliott 1991). Its roots as a practice go back as least as far, beginning with family planning applications in the1960s (Harvey 1999; Manoff 1975). Within academic marketing, its introductory period lasted perhaps 20 years, during which time social marketing struggled to establish a separate identity (Bartels 1974; Luck 1974) while broadening its scope (Andreasen 2001b). There are now several indicia that attest to the broad acceptance of this field. Conceptual and theoretical indications include the following. Several general textbooks (Andreasen 1995; Kotler and Roberto 1989) have been published, along with several specialized management books. •Chapters devoted to social marketing are now included in basic marketing textbooks (Baker 1999), nonprofit marketing books (Sargeant 1999), and health communications readers (Glanz, Lewis, and Rimer 1999). •A journal entirely devoted to the area, the Social Marketing Quarterly, was founded in 1994. •There are now three annual social marketing conferences, and the first Innovations in Social Marketing Conference produced a major readings book in 1997 (Goldberg, Fishbein, and Middlestadt 1997). •Social marketing centers have been established in Scotland, Canada, and Poland, and social marketing training programs have been held in several parts of the world. The Social Marketing Institute was established in 1999.

Social marketing approaches have been adopted by a wide range of U.S. federal agencies, most prominently the U.S. Department of Agriculture (5-a-Day program) and the Centers for Disease Control and Prevention, as well as state and local governments and a significant number of nonprofit organizations (see examples at www.socialmarketing.org). •UNAIDS has recently invoked social marketing as a primary tool in its fight against AIDS, and the World Bank is regularly conducting distance learning sessions using social marketing concepts. •Requests for proposals for social change programs at federal and state levels and by nonprofit organizations now frequently require social marketing components and social marketing capabilities. •Several major consulting organizations, most prominently Porter Novelli, Academy for Educational Development, and Prospect Center, have emerged as leading social marketing. Social marketers understand that their challenge of generating behavior change is no different from that of commercial sector practitioners, who are rewarded only if they "move the needle," not simply create great advertising, clever positioning, or great slogans. However, as Bloom and Novelli (1981) note, the challenges social marketers face is significantly more daunting.

Graph of the theoretical approach that depicts personal relations of internet users.

The social graph in the Internet context is a graph that depicts personal relations of internet users. In short, it is a model or representation of a social network, where the word graph has been taken from graph theory. The social graph has been referred to as "the global mapping of everybody and how they are related" The term was popularized at the Facebook F8 conference on May 24, 2007, when it was used to explain how the newly introduced Facebook Platform would take advantage of the relationships between individuals to offer a richer online experience. The definition has been expanded to refer to a social graph of all Internet users. Since explaining the concept of the social graph, Mark Zuckerberg, one of the founders of Facebook, has often touted Facebook's goal of offering the website's social graph to other websites so that a user's relationships can be put to use on websites outside Facebook's control.



Social Marketer

Any expert who efficiently endeavors to utilize the following Generic Competition, Intervention-Level, Competition Subject-Market Competition, Product Competition, Brand Competition qualities, can genuinely claim to take after a social advertising approach. Accordingly, until the point that such time as the field embraces an affirmation program, for example, the one as of late started by the American Marketing Association for private-area advertisers, this format may be utilized to judge the degree to which a given individual or firm is really a social advertiser. For scholastics, the criteria should be fairly extraordinary. Scholastics contribute both theoretical structures and bits of knowledge (e.g., Goldberg 1997; Rothschild 1999) and cautious research thinks about on all aspects of the fundamental specialist approach. Consequently, specialists investigating the viability of elective messages for social showcasing efforts (Maibach and Cotton 1995; Pechmann and Reibling 2000), conceivable social advertising division techniques (Donovan 1999), elective purchaser conduct models (Hornik 2001b), or the results of particular crusades (Lefebvre and Flora 1988) would all be able to be said to add to the field of social promoting and, in that sense, to be social advertisers.

Use of Social Media Marketing

Social promoting can be connected in any circumstance in which a socially basic individual conduct should be tended to for an intended interest group. This gives social advertising a wide space. It is most ordinarily thought of as applying to "conclusive clients, for example, adolescents who smoke or moms who need their kids vaccinated. Notwithstanding, as noted in this manner, understand that a social showcasing methodology can likewise apply to achieving conduct changes in other key players whose agreeable activities are expected to make programs effective. These can incorporate individuals from the media, potential accomplices, funders, policymakers, officials, and an association's own staff. The standards and subjects of a decent social promoting effort can be utilized to impact all these intended interest groups. Albeit social showcasing can be utilized as a part of numerous sorts of mediations, it may not generally be the best approach. There are two criteria by which such choices can be made, adequacy and fittingness. Social advertising ought to be received just in particular circumstances in which it is probably going to be powerful. Adequacy, be that as it may, just sets the external limits for potential application. There is as yet the topic of when it is fitting to utilize social promoting. The primary inquiry includes the marshaling of confirmation. The second includes matters of educated judgment and ethics. Here, I propose, is a shot for social advertisers to apply their own innovation to their own concern. That is, if social showcasing is to increase critical piece of the overall industry among singular change approaches and to be utilized as a part of a corresponding style with group and basic methodologies, at that point its advocates should successfully advertise social promoting, in the process exhibiting through their own behavior the energy of the approach. Winning this opposition involves singular conduct change, in which the intended interest group includes leaders at offices, projects, and establishments who may receive a social promoting approach.

Social Marketing as a Social Change

Social marketing plays a vital role in promoting social changes by different ways. Social marketing is highly effective for social change as most of the people are directly connected by social networks. Social marketing has totally change the individual convincing people as about more than 60% person of population is directly involved in it this can be understand by the below diagrams how people are connected using social media. Social showcasing is the efficient utilization of promoting alongside different ideas and strategies to accomplish particular behavioral objectives for a social decent. For instance, this may incorporate requesting that individuals not smoke out in the open territories, requesting that they utilize safety belts or provoking to influence them to take after speed limits. The essential point of social advertising is 'social great', while in business showcasing the point is fundamentally 'monetary'. This does not imply that business advertisers can't add to accomplishment of social great.

Health advancement crusades in India, particularly in Kerala and AIDS mindfulness programs are to a great extent utilizing social showcasing, and social specialists are to a great extent working for it. Not only in India but in throughout the world for example in UNAIDS has recently invoked social marketing as a primary tool in its fight against AIDS, A large portion of the social laborers are professionally prepared for this specific undertaking. Hostile to tobacco battles, Hostile to sedate crusades, Hostile to contamination battles, Street security battles, Hostile to settlement crusades, Insurance of young lady kid crusade, Crusade against the utilization of plastic sacks, Green showcasing effort, Social showcasing applies a client arranged approach, and uses the ideas and instruments utilized by commercial advertisers in quest for social objectives, for example, hostile to smoking efforts or raising money for NGOs.

Social advertising—another showcasing instrument—can be an extraordinary resource if utilized legitimately. The gainful impacts of social showcasing for a business can be gigantic, yet one must recollect that it must be utilized as a part of the most productive conceivable way. Social showcasing permits organizations and sites to pick up fame over the Internet by utilizing diverse kinds of online networking accessible, for example, websites, video and photograph sharing locales, interpersonal interaction destinations and social bookmarking sites.

There are six unmistakable preferences of social promoting that make it an indispensable device to any advertising effort:

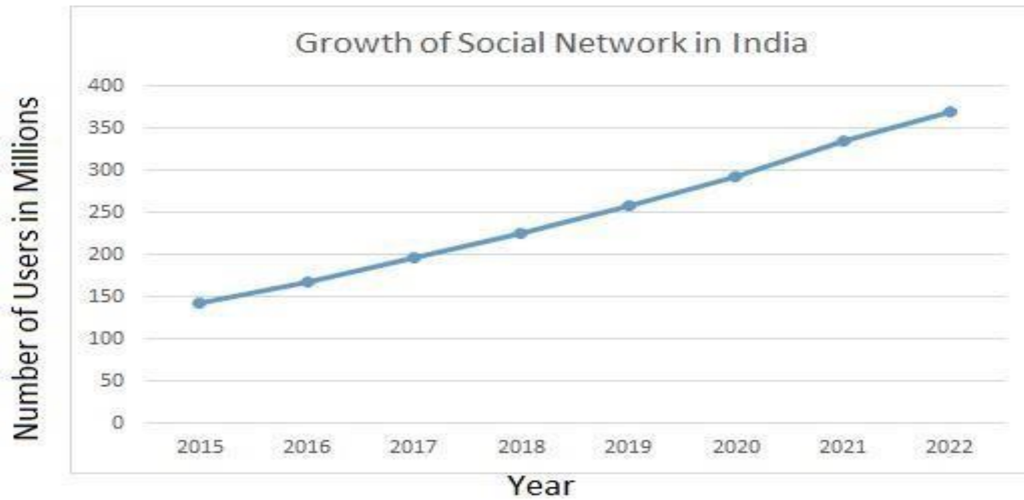
- Advances utilization of socially alluring items.
- Advances wellbeing awareness in individuals and encourages them embrace a more beneficial way of life.
- It helps in green advertising activities.
- It annihilates social indecencies that influence the general public and personal satisfaction.
- Social showcasing is one of the least expensive methods for advertising.
- Extraordinary compared to other focal points of social advertising is that anybody can exploit it, even from their own particular home.

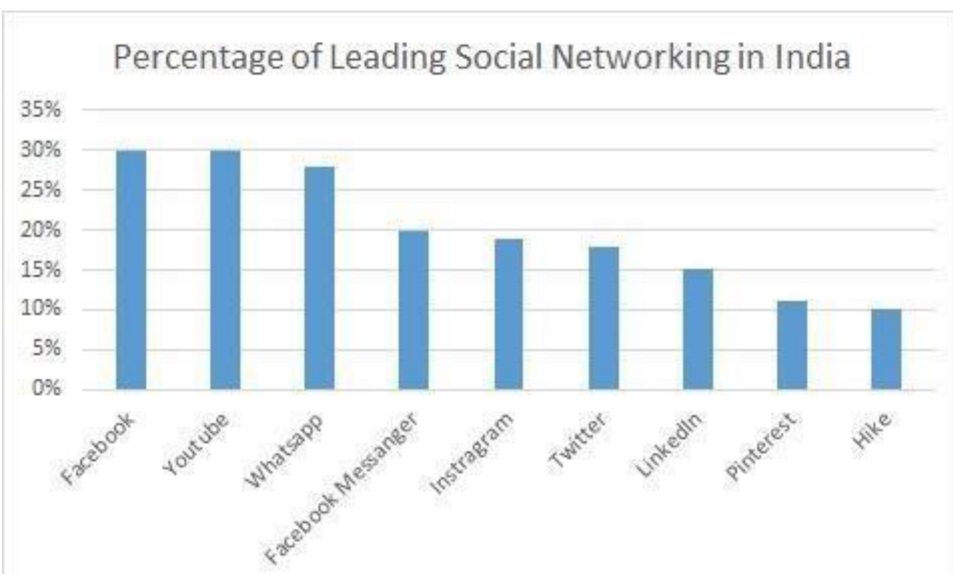
Social Media Marketing in India

Online networking promoting in India is profoundly compelling a direct result of the accompanying reasons. 60% of the long range interpersonal communication activity originate from Non-Metro-Cities yet the most noteworthy movement creating city still stays to be a Metro i.e. Mumbai the most noteworthy number of dynamic clients are from the 15-24 age gathering however LinkedIn has an alternate age gathering of dynamic clients i.e. 25-34 age-gathering. The male-female proportion demonstrates consistency with the general populace separation by sexual orientation i.e. 80:20 for guys. Web-based social networking in India contacts 60 for every penny of the online Indian gathering of people. Facebook and Orkut, together oblige around 90 for every penny of the clients in the online networking space. Facebook is the main informal community in India that has seen an enormous development, nearly multiplying its clients over the most recent a half year. Most elevated number of dynamic web-based social networking crowd in India are in the age gathering of 15-24 and are graduates who are searching for a Job or arranging further investigations. The greatest clients originate from the 'under 2 lakhs p.a.' salary class. This is on the grounds that informal communities are fundamentally determined by the adolescent Over 45% of the clients on Social Networks return amid the day. Facebook finish the rundown with clients returning to more than 3 times amid a day. Larger part of the time spent by the Indian group of onlookers on Facebook is on Interactive Games/Applications and afterward on review Photos.

Below two graphs shows the role of social media marketing and its growth. The graphs itself gives the complete picture about the importance of social media marketing.

- the line graph shows the expected growth of social media in India. Number of expected social network users in India from 2015 to 2022 (in millions)
- the line graph shows the percentage of leading social networks in India.





Conclusion

In conclusion, many research studies identify that retailers can increase awareness of their brand by being creative when engaging customers on social media sites. Social media sites are a great stage for retailers to create an experience and retailers can use information stored on social media sites to improve user experience with their brand. Social networking sites are being utilized to enhance a company's brand appeal and increase their target market. Additional research is warranted regarding which social media marketing tactics are effective for small retailers. Social media opens up a whole new world for small retailers by providing an endless array of potential interactions with consumers, which is the main reason why there is a need for an increase in studies examining the impact of this new phenomenon on small retailers.

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Volatility of select Crypto-currencies: A comparison of Bitcoin, Ethereum and Litecoin

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Abstract

With the ever increasing use of virtual currency and its volatility, cryptocurrencies are being adopted across world for various transactions- legal as well as illegal. The returns earned from crypto currency investments in recent times were huge but there has always been a question on their existence and credibility. A cryptocurrency is a digital or virtual currency that uses cryptography for security. Despite recent issues in crypto currencies, Bitcoin's success and it's growing visibility since its launch has resulted in a number of companies unveiling alternative cryptocurrencies The study tries to compare three crypto currencies - Bitcoin, Ethereum and Litecoin with respect to their volatility and stability in recent times and also tries to understand their trends in recent times.

Key words: Crypto–currency, Bitcoin, Ethereum, Litecoin, Volatility

Introduction

A cryptocurrency (or crypto currency) is a digital asset designed to work as a medium of exchange that uses cryptography to secure its transactions, to control the creation of additional units, and to verify the transfer of assets. A cryptocurrency is difficult to counterfeit because of this security feature. A defining feature of a cryptocurrency, and arguably its most endearing allure, is its organic nature; it is not issued by any central authority, rendering it theoretically immune to government interference or manipulation. Cryptocurrencies are a type of digital currencies, alternative currencies and virtual currencies. Cryptocurrencies use decentralized control as opposed to centralized electronic money and central banking systems. The decentralized control of each cryptocurrency works through a blockchain, which is a public transaction database, functioning as a distributed ledger. The anonymous nature of cryptocurrency transactions makes them well-suited for a host of nefarious activities, such as money laundering and tax evasion.

The first cryptocurrency to capture the public imagination was Bitcoin, which was launched in 2009 by an individual or group known under the pseudonym Satoshi Nakamoto. As of September 2015, there were over 14.6 million bitcoins in circulation with a total market value of $3.4 billion. Bitcoin's success has spawned a number of competing cryptocurrencies, such as Litecoin, Namecoin and PPCoin.

Types of cryptocurrencies:

- **Bitcoin** - Bitcoin is a cryptocurrency and worldwide payment system. It is the first decentralized digital currency, as the system works without a central bank or single administrator. The network is peer-to-peer and transactions take place between users directly, without an intermediary. These transactions are verified by network nodes through the use of cryptography and recorded in a public distributed ledger called a blockchain. Bitcoin was invented by an unknown person or group of people under the name Satoshi Nakamoto and released as open-source software in 2009. Bitcoins are created as a reward for a process known as mining. They can be exchanged for other currencies, products, and services. As of February 2015, over 100,000 merchants and vendors accepted bitcoin as payment. Research produced by the University of Cambridge estimates that in 2017, there were 2.9 to 5.8 million unique users using a cryptocurrency wallet, most of them using bitcoin.

- **Ethereum –** Ethereum is also termed as Ether as this cryptocurrency is generated on Ethereum platform. It is public platform with open source, block chain based computing. It has a smart scripting facility. It works on the modified version of Nakamoto's cryptocurrency with transaction based payment system. Ethereum was first introduced in 2013 by Vitalik Buterin, who was a computer programmer and researcher in cryptocurrency. Software Development related to Ethereum was funded by an online crowdsale between July and August 2014 and developing a system that went live on 30 July 2015. It initially had 11.9 million coins "premined" for the crowdsale. This circulation was almost 13% of the total circulating currency. The price of the Ethereum currency grew over 13,000% from 2014 to 2017.
- **Litecoin** – Litecoin is treated as a leading rival for Bitcoin currently and the main purpose of designing Litecoin was to process smaller value transactions fast. Litecoin was founded in Oct. 2011. According to the founder of Litecoin, Charles Lee, Litecoin was considered as a silver against bitcoin which was treated as a gold. The difference between Bitcoin and Litecoin is that for mining Bitcoin heavy processing and fast computing is required unlike, Litecoin which can be mined by a normal desktop computer with comparatively lesser processing power. About 84 million Litecoins are there in circulation in comparison with 21 million Bitcoins and Litecoin transaction processing time is about 2.5 minutes compared to about 10 minutes for that of Bitcoin.
- **Ripple** – Ripple was launched in 2012 by a company called OpenCoin with its founder, a technology entrepreneur Chris Larsen. Ripple is a currency as well as a payment system like Bitcoin. The payment mechanism for Ripple is very fast enabling the transfer of funds in any currency to another user on the Ripple network within seconds.
- **MintChip** – Mintchip is actually a creation of government institution like Royal Canadian Mint unlike most other cryptocurrencies. MintChip is a smartcard that holds electronic value and can transfer it securely from one chip to another. Like Bitcoin, MintChip does not need

personal identification but unlike Bitcoin, it is backed by a physical currency, the Canadian dollar.

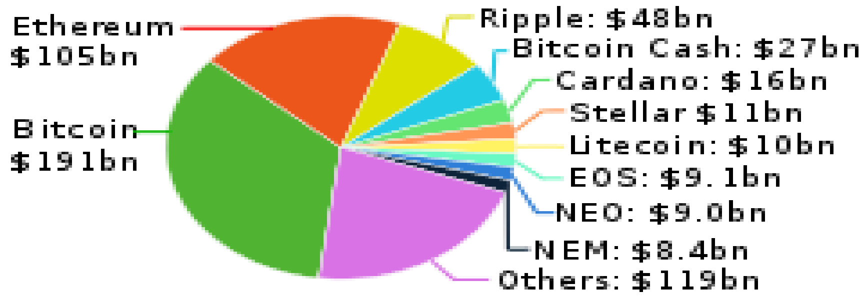


Fig.: Cryptocurrency market capitalizations as of 27 January 2018, in billions of US dollars.

Literature Review

(Nakamoto) in his paper describes a bitcoin to be introduced as a peer to peer electronic cash system. It allows electronic cash to be sent to other party without using any financial intermediatery.

(Raymaekers, 2014) in his research article states Bitcoin to be a cryptocurrency which was introduced in 2009 to be first decentralized digital currency. Bitcoin allows online payments to be made by sending money via banks, buying goods and services online to be done from one party to the other without going through a financial institution (Raymaekers, 2014). There are many advantages of using bitcoin currency such as the speed of transaction, security of transaction, cost and convenience (Raymaekers, 2014). The technology that supports bitcoin is blockchain technology. Over US$1.2 billion has already been invested in blockchain start-ups (Shin, 2016). Blockchain technology increases the efficiency and transparency of governance, financial and security settlements, and financial clearing processes. Hence, blockchain is of great interest to businesses legitimately involved in the bitcoin eco space (Robb, 2017). With its origins in distributed databases, the blockchain's data is partitioned into blocks, continuously adding new sequential blocks of data (Swan, 2015). The blocks are linked together using cryptographic signatures which results in transactions being time-stamped, and tamper-proof. A recent study estimates that within five years blockchain could allow for $16bn of cost savings by simplifying accounting and audit processes.

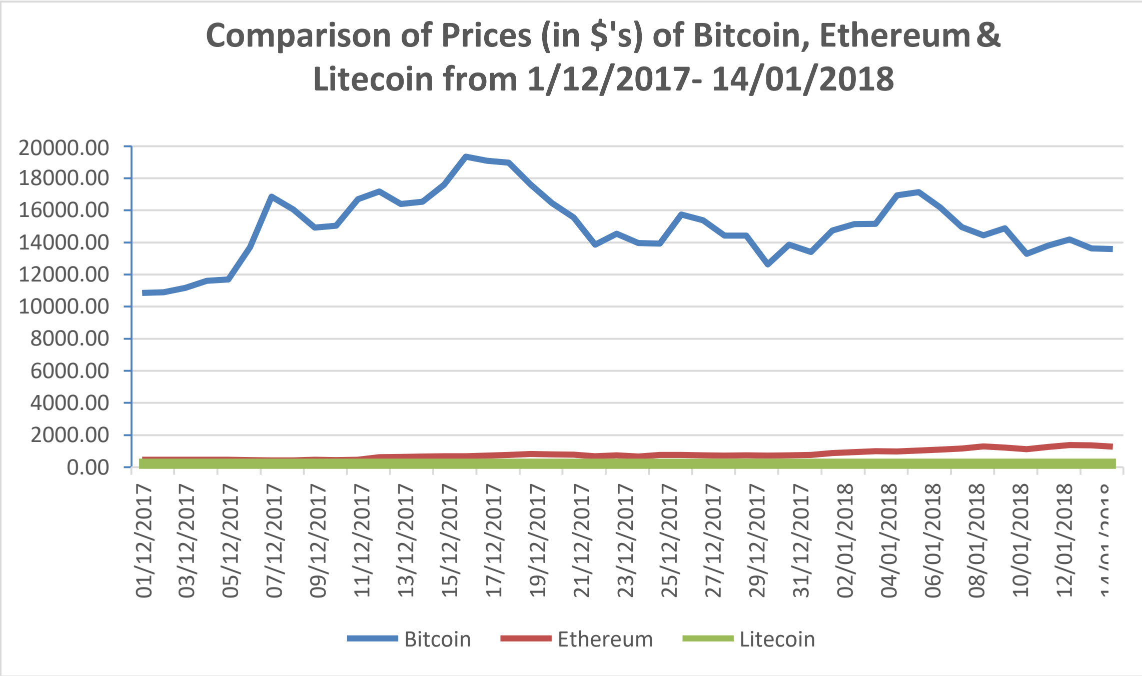
Bitcoin only very recently became a subject of research in economics. The topic has been of interest for longer in computer science. A small number of theoretical papers written by computer scientists address incentives. (Eyal, 2013) show that mining is not incentive-compatible and that the so-called "selfish mining" can lead to higher revenue for miners who collude against others. The threshold for selfish mining to be profitable is lower than for double-spending attacks. (Babaioff, 2012) argue that the current Bitcoin protocols do not provide an incentive for nodes to broadcast transactions. This is problematic, since the system is based on the assumption that there is such an incentive. Additional work in the computer science field includes (Christin, 2013), who examines the anonymous online marketplace in cryptocurrencies. Some work on Bitcoin has been reported in legal journals as well, but there is very little in the economics literature. One of the few exceptions is the European Central Bank's (2012) report on virtual currencies. Using two examples, Bitcoin and Linden dollars, the report focuses on the impact of digital currencies on the use of fiat money. (Gans, 2013) analyze the economics of private digital currencies, but they explicitly focus on currencies issued by platforms such as Facebook or Amazon (that retain full control), and not decentralized currencies such as Bitcoin. (Dwyer) provides institutional details about digital currency developments. (Moore, 2013) empirically examine Bitcoin's exchange risk. Using Bitcoin traffic at Wikipedia, (Glaser) examine whether user interest in cryptocurrencies is due to interest in a new investment asset or in the currencies themselves. Their results suggest that most of the interest is due to the asset aspect.

Objective

To study the current performance of different cryptocurrencies mainly Bitcoin, Ethereum and Litecoin in recent times and also to analyze the volatility of different crypto currencies for future investments.

Research Methodology

The closing prices for major cryptocurrencies Bitcoin, Ethereum and Litecoin were compared for December 2017 and January 2018 as this was the time when the volatility of crypto-currencies was very high. The secondary data collected for the analysis purpose was selected from Coindesk website. It was seen from the chart that there is a highest volatility of Bitcoin and the prices for the Bitcoins show a declining trend but at the same time Ethereum and Litecoin comparatively showing increasing trend as they are newly introduced coins into the market.



Source: Coindesk.com

Descriptive Statistics for the 3 coins: Bitcoin, Ethereum and Litecoin

	Bitcoin	**Ethereum**	**Litecoin**
Mean	14967.66196	795.6145652	233.6580435
Standard Error	302.8996276	41.25476809	11.03228387
Median	14902.06	755.08	245.62
Mode	#N/A	#N/A	#N/A
Standard Deviation	**2054.365226**	279.8034506	**74.82458965**
Sample Variance	**4220416.483**	**78289.97094**	**5598.719216**
Kurtosis	-0.111106887	-0.534128459	-0.554776212
Skewness	0.023807786	0.601462495	-0.743057689
Range	8483.48	951.01	256.51
Minimum	**10859.56**	**435.66**	**96.6**
Maximum	**19343.04**	**1386.67**	**353.11**
Sum	688512.45	36598.27	10748.27

Count	46	46	46

Data Analysis

1. The average price for the Bitcoin was $14967 over a given period, with a standard deviation of around $2054. So coefficient of variation can be calculated as
   COV = (Standard deviation * 100) / Mean = (σ * 100) / μ

   In order to judge the consistency in the performance, coefficient of variation is computed as 13.76%

2. The average price for the Ethereum was $796 over a given period, with a standard deviation of around $280. So coefficient of variation can be calculated as
   COV = (Standard deviation * 100) / Mean

   In order to judge the consistency in the performance, coefficient of variation is computed as 35.17%

3. The average price for the Litecoin was $233.66 over a given period, with a standard deviation of around $74.8. So coefficient of variation can be calculated as
   COV = (Standard deviation * 100) / Mean

In order to judge the consistency in the performance coefficient of variation is computed as 32%.

From the above data analysis, it can be observed that though the trend for Bitcoin seems to be going down but in terms of stability of the performance, Bitcoin is much more consistent than other two coins for the comparison. Coefficient of variation for Bitcoin is much smaller than Ethereum and Litecoin.

Also when we compare Ethereum and Litecoin prices over a given period, though the average price for Ethereum is much more than Litecoin price, Litecoin price performance is more stable than Ethereum prices.

Market potential of cryptocurrency

The market capitalization is the value of all the units of a cryptocurrency that are for sale on the market right now. It is a strong indicator of demand because it shows you how much money has been invested in a particular altcoin.

In a report published on January 3, 2018, Royal Bank of Canada (RBC) Capital Markets analyst Mitch Steves confidently stated that the cryptocurrencies and blockchain technology applications market could increase thirteen fold in 15 years, reaching $10 trillion.

According to Steves, cryptocurrencies represent only a part of the $10 trillion pie, the bulk of which is in the rest of the ecosystem existing around blockchain technology and cryptocurrencies.

Steves argues that block chain technology will permit creating a “Secure World Computer,” a decentralized world computer without a third-party intermediary, intrinsically more secure because there won’t be centralized servers that can be hacked, and suggests that next-generation killer apps will be built on top of this secure layer.

Future scope

Some of the limitations that cryptocurrencies presently face – such as the fact that one’s digital fortune can be erased by a computer crash, or that a virtual vault may be ransacked by a hacker – may be overcome in time through technological advances. What will be harder to surmount is the basic paradox that bedevils cryptocurrencies – the more popular they become, the more regulation and government scrutiny they are likely to attract, which erodes the fundamental premise for their existence.

While the number of merchants who accept cryptocurrencies has steadily increased, they are still very much in the minority. For cryptocurrencies to become more widely used, they have to first gain widespread acceptance among consumers. However, their relative complexity compared to conventional currencies will likely deter most people, except for the technologically adept.

A cryptocurrency that aspires to become part of the mainstream financial system may have to satisfy widely divergent criteria. It would need to be mathematically complex (to avoid fraud and hacker attacks) but easy for consumers to understand; decentralized but with adequate consumer safeguards and protection; and preserve user anonymity without being a conduit for tax evasion, money laundering and other nefarious activities.

In India, the Union Budget presented on 1st February 2018 made it clear that cryptocurrency will not be made legal in the country.

Conclusion

With the advent of blockchain and cryptocurrencies being as new and revolutionary as it is, predicting the five-year projected value of Bitcoin, Ethereum and Litecoin requires numerous factors to be considered. Through a combination of qualitative research conducted through interviews with industry professionals, linear regression, and a Monte Carlo analysis, it can be concluded that Bitcoin can leverage its existing user base and proven use case is likely to experience more growth in the five-year time horizon. Ethereum, while having a lower expected value has a much greater variance as a result of its strong correlation with speculation, news, and hype. Ethereum's wide range of outcomes, both positive and negative, indicates that it should be included in the investment portfolio to take advantage of this fact. With Litecoin showing lesser variation than Ethereum, Litecoin can be preferred as new investment option.

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