Business Perspectives

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Concepts, Database and Perspectives for Slum Improvement in India

Amitabh Kundu

Abstract

Planners, administrators and researchers working on diverse aspects of urban planning and focusing on slum situations have voiced concern about non-availability of adequate and reliable data. Given this scenario, the present paper takes stock of the existing data on housing/slum conditions, identifies the greasiness in data and proposes measures to clean these up for use. The key objective is to review the concepts of slums, as have been used in official literature and policy documents and critically analyze the available database, highlighting their deficiencies that are coming in the way of their effective use in policy formulation and implementation.

The paper looks at the data on slums from alternate sources and examines their reliability and adequacy as inputs in policy making. Finally, the paper provides a perspective for ensuring the data sets comparable and usable in policy and makes recommendations for that purpose.

Relationship between Select Commodity Prices and Macroeconomic Variables in India: A VAR Analysis

Simrit Kaur
Manoj Kumar Sharma

Abstract

Focusing on the recent increase in gold prices, the basic objective of the paper is to predict changes in the price of gold and to examine the relationship that exists between commodity prices and macroeconomic variables in the Indian context. The variables considered are: commodity prices as represented by gold, silver and oil; and macroeconomic variables represented by interest rates, exchange rates and stock market indices. Vector Autoregressive (VAR) Modeling has been adopted and standard VAR summary statistics such as Granger causality tests, impulse response functions, and variance decompositions are analyzed to study comovements between the variables. Monthly data from April 2005 to December 2013 forms the sample period of our study. Primarily, the following conclusions emerge: First, the largest share of shock to price of gold is significantly explained by its own variance. Shocks in other variables explain only 10 per cent of the variation in gold prices. Interestingly, innovations in silver prices explain variations in gold prices more than it explains variations in its own price. Analysis of the impulse response functions reveals that a positive shock to oil and silver price has a favourable effect on gold price initially, though its response becomes adverse later. Further, the impact of a positive shock to Nifty on gold prices, though positive initially, dissipates thereafter. Additionally, innovations in exchange rate initially have an adverse impact on gold price, though later gold prices begin to respond favourably. Johansen's Cointegration test suggests that there is a weak long term relationship that exists among the variables analyzed in the study

Study of an Early Warning System of Risks of China's Outward FDI - Based on the investigation of China's non-finance outward FDI cases

Yiwen Li
Liangxin Li

Abstract

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This paper aims to explore the main risks that China's firms are facing in their overseas investments and provide a common and objective early warning risk system to guide China's overseas investment behavior and avoid the loss of overseas investments based on our survey data of China's non-financial overseas investments. In this paper, through investigation of China's 347 non-finance Outward FDI Cases, all kinds of risk factors and probability of occurrence are concluded, and Chinese overseas investment risks are quantified as risk index to forecast the investment risk for Chinese overseas enterprises. This paper shows that the main risks that China's firms are facing are political risks, business risks, legal risks, risks of cultural differences and natural risks. Among them, the ones which have occurred with the highest frequency are business risks, second are the political risks, and cultural and legal risks are the next. This paper also quantifies the five risks into risk index so as to compare with other risk quantitative standards in the world, such as Standard & Poor's, Flander's, etc. From our study, we come up with an overseas investment risk index model for Chinese overseas investment enterprises. According to the model, the levels of overseas investment are divided into five: Highly suitable, suitable, general, unsuitable, and highly unsuitable. The higher the index score, the more suitable it is for overseas investment.

By comparing it with internationally accepted standards, we found that our quantitative model is very consistent with the international standards. This also reflects that Chinese enterprises' overseas investment risks basically are not too different from the developed countries' risks.

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Commitment and Compliance for Managing Human Capital to increase Organizational Performance

Dhruba Kumar Gautam

Abstract

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A paradigm shift in managing people from compliance to commitment has been witnessed worldwide. This paper relates theory "X" & "Y" to explore the "Hard & "Soft" HR practices related to utilization of human capital in Nepalese workplaces; it develops a framework of compliance and commitment for improvement in organizational performance. It focuses on four major research questions-What are the hard and soft HR practices? What could be the possible impact of HR practices on organisational performance? What are the new mandates for HR professionals? Lastly, what could be the framework to address low-high degree of compliance and commitment for improving organisational performance? For finding answers to these questions, Anglo-Saxon and Nepalese literature is reviewed to help develop a framework based largely on published literature. The suggested framework shows that commitment-compliance matrix is required to improve organisational performance. The study attempts to look at HR practices in new perspective to raise the current level of organisational performance.

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A Study of Service Quality Expectations of Customers of Micro, Small and Medium Enterprises (MSMEs) towards Banks

Sarita Bhatnagar

Abstract

This study analyses the Service Quality expectations of MSME clients of a Bank, and investigates their service quality perceptions towards services provided by the bank. The purpose is to bridge the gap between Bank's MSME services and client expectations by suggesting strategies for improvement in service design and delivery premised on clients' expectations. The method followed in this research involves in depth interview and administration of semi structured questionnaire to officers of the bank and MSME customers of the Bank in small, medium and micro segments in both manufacturing and service sector. This study indicates that there are certain gaps in the bank's MSME services and the clients' expectations. Particularly, the main finding of the study is that clients expect a relationship based marketing approach from the bank which is based on customers' understanding, customized services, return on relationships and trust based mutual interactions.

Macroeconomic Determinants to Forecast Stock Market Index

Arya Kumar
Anmol Gupta

Abstract

Stock market is one of the channels through which household savings get effectively invested by deriving an advantage of high liquidity. Industries fulfill their need of funds through primary market which results in future returns for economy as a whole, in the form of GDP growth, employment, monetary gains (capital and dividend), technological advancements and many other tangible and intangible forms. Thus, there exists interdependency between growth of the economy and growth of capital markets. Forecasting of stock prices is questioned by several hypotheses like efficient market and random walk. In this paper, attempt has been made to forecast stock prices based on fundamental analysis approach. The SENSEX has been forecasted as a function of three macro-economic variables: forex rate, fiscal deficit and money supply. Statistically significant model to forecast SENSEX has been obtained using concepts of stationary, co-integration and granger's causality. SENSEX is expected to touch a level of 37,037 under the most likely scenario, 38,549 under optimistic scenario and 34,440 under pessimistic scenario by March 2017.

An Analysis of the Solid Waste Management System in Ghaziabad (India)

Shalini Kalia
Nishant Puri
Indrani Chakraverty

Abstract

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Inadequate management of solid waste is one of the most serious environmental and health problems in many cities of developing countries. Solid wastes arise from human activity outcomes of which are normally discarded as useless or unwanted. Over the years, there has been noticeable and steady mismatch between urban population growth and capacity for managing the corresponding increases in solid wastes. Solid wastes have the potential to pollute all the vital components of living environment at local and at global levels. In these conditions, management of solid waste is an essential requirement for sustainable environmental policies. This article examines the management of solid waste generated from households in Ghaziabad city (India)and analyzes the current scenario; understanding the major problems, gaps, or inefficiencies in current garbage treatment process. The study recommends stepwise viable solutions for the same. The study is based on fieldwork, use of questionnaires, survey, interviews and document reviews. The city produces over 600 metric tons of garbage every day. Garbage-management involves four broad steps: Collection, Transportation, Treatment, and Disposal. During field study it was found that major lacunae exists predominantly in the collection, treatment and disposal processes. Hence, recommendations based on the sustainable principle of integrated solid waste management are made.

Book Review Battling Corruption: Has NREGA Reached India's Rural Poor?

Authors: **Shylashri Shankar and Raghav Gaiha**

Reviewer: **Dr. Jodie L. Ferise**

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Corruption poses typically difficult questions with regard to its concept, manifestations, measurement, and forms. The difficulties are further compounded by the changes in legal framework. A change in legal framework may transform a given legitimate action into an act of corruption. For example, several companies and their employees operate as travel agents; they charge for the service they render. It is legitimate. If, however, the government implements a new law which makes all such intermediary services illegal and still such companies and their employees continue with their operations for their usual fees, all such fees will qualify as money involved in corrupt practices. Another aspect is the percentage or proportion of fulfillment of targets to be defined as success, since hundred percent achievement of the targets can occur only on paper. There enters subjectivity in the criterion of success. The readers should view the book in the above context.

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