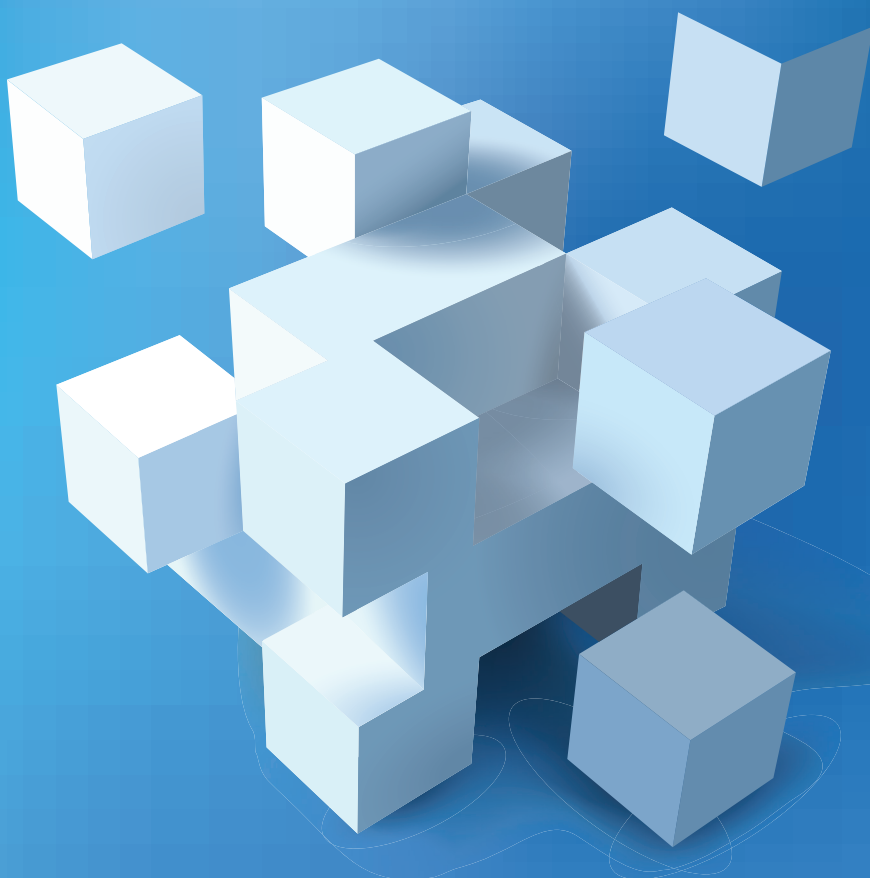


Volume 21 • Issue 2
December 2023

 **New Delhi
Institute of
Management**
1st & the Only Mentor B-School of India
rpm.ndimdelhi.org
ISSN: 0972-8686
e-ISSN: 2455-0647

REVIEW OF PROFESSIONAL MANAGEMENT

A Journal of Management



Review of Professional Management: A Journal of Management is published biannually in June and December by New Delhi Institute of Management, New Delhi.

Review of Professional Management: A Journal of Management is hosted on our web-based submission and peer review system. Please read the manuscript submission guidelines on the journal website, and then visit <https://peerreview.sagepub.com/rpm> to login and submit your article online. Manuscripts should be prepared in accordance with the 7th edition of the *Publication Manual of the American Psychological Association*.

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Annual Subscription (2023): Individual rate (print only) ₹1,892; institutional rate (print only) ₹3,267. For orders from Pakistan, Bangladesh, Sri Lanka and Maldives, SAARC rates apply: individuals \$35; institutional rate \$50. Prices include postage. Print subscriptions are available for institutions at a discounted rate. For subscriptions, please write to: customerservicejournals@sagepub.in

Review of Professional Management: A Journal of Management is indexed at the following indexing agencies:

- UGC CARE (GROUP I)
- EBSCO and EBSCOhost
- i-Scholar
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Printed and published by Department of Research, New Delhi Institute of Management, on behalf of New Delhi Institute of Management, New Delhi, 60, 50 (B&C), Tughlakabad Institutional Area, New Delhi 110062, India. Printed at M/s. S K Labels, Okhla Industrial Area, Phase-I, New Delhi 110020, India.

Editor-in-Chief: Prof. (Dr.) Radha R. Sharma

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New Delhi Institute of Management
Approved by All India Council for Technical Education
Accredited by the National Board of Accreditation
Ministry of Education, Government of India

60, 50 (B&C), Tughlakabad Institutional Area, New Delhi - 110062

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E-mail: info@ndimdelhi.org; director@ndimdelhi.org

Website: www.ndimdelhi.org

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The Future of Jobs and Skill Requirement

Review of Professional Management:
A Journal of Management
21(2) 143–144, 2023
© The Author(s) 2023
DOI: 10.1177/09728686231223302
rpm.ndimdelhi.org



The Future of Job Report, 2023 of the World Economic Forum (WEF) presents a survey dataset based on expectations of the world's largest employers from 27 industry clusters from 45 economies relating to job trends for the 2023–27 time-frame. The survey highlights macroeconomic and technology trends and their impact on jobs, skills and transformation strategies. Adoption of new and frontier technology and digitalisation were found to drive transformation. Environmental, social and governance had a considerable impact on the organisations that participated in the survey. Climate change and sustainability specialists, and cyber security experts will be in demand whereas routine administrative roles will have job reduction. Adoption of big data, cloud computing and AI are the new trends. Analytical thinking and creative thinking emerged as the topmost skills (WEF, 2023). This requires attention to the wide gap in future skill requirements. The ranking of some of the skills identified by the survey for upskilling and reskilling are as follows:

1. Analytical thinking
2. Creative thinking
3. Resilience, flexibility and agility
4. Motivation and self-awareness
5. Curiosity and lifelong learning
6. Technological literacy
7. Dependability and attention to detail
8. Empathy and active listening
9. Leadership and social influence
10. Quality control
11. Systems thinking
12. Talent management

The above provides direction for preparing human resources for future roles where learning and development can play a critical role. There is Global Taxonomy of Skills in the Future of Jobs Report, 2023; it is noteworthy that of the priority skills identified by the companies for workforce development two third belong to knowledge and ability cluster and one third to attitudes involving socio-emotional skills.

Having identified the new age competencies, the learning and development professionals can reimagine, redesign and use design thinking in reskilling and upskilling the workforce using simulations, gaming and a variety of virtual and collaborative technologies. The strategies are enhancing investment in learning and development and accelerating the automation process.

One of the barriers faced by the surveyed companies was attracting talent hence focus needs to be on both talent acquisition and talent development. A number of strategies can be adopted such as accelerated career progression, enhanced remuneration, flexi-working, diversity and inclusion, to name a few. Like customer experience, 'employee experience' is gaining significance at the workplace which manifests in work/life balance, wellness, intellectual challenge, and personal growth and development. Employee experience may lead to talent retention.

Skill development is both a challenge and an opportunity to HR professionals who are expected to rise to the occasion bridging their own knowing-doing gap to create an impact on the future of jobs.

Reference

World Economic Forum (WEF). (2023). *Future of Jobs Report 2023* (p. 37, 53). https://www3.weforum.org/docs/WEF_Future_of_Jobs_2023.pdf

Radha R. Sharma

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Impact of Social Media Influencers' Credibility and Similarity on Instagram Consumers' Purchase Intention

Review of Professional Management:
A Journal of Management
21(2) 145–164, 2023
© The Author(s) 2023
DOI: 10.1177/09728686231185973
rpm.ndimdelhi.org



Ankur Rani¹, Nisha Chaudhary² and Om Prakash Gusai³

Abstract

In the realm of digital advertising, the recruitment and use of social media influencers is relatively a novel approach. Social media influencers change how buyers feel about a company or product by sharing photographs, videos and other content on their networks. The investigation's goal is to look into the relationship between the credibility and resemblance of Instagram influencers and their followers' intent to purchase on the social media platform. With the help of Google Forms, we can collect 384 usable responses, which we have calculated via the sample size Cochran's formula. A method of sampling referred to as purposive sampling was utilised in the research study. The sample population for this study consists of residents of Delhi and the adjacent National Capital Region (NCR) in Haryana. This is done to ensure that the results are representative of the situation in India as a whole. The nation's capital is Delhi. In addition to Delhi, this coverage includes the cities of Gurugram, Faridabad, Sonipat and Jhajjar, which are located on the outskirts of Delhi. Jamovi 2.2.5 version is used to analyse the data. To have a better grasp of the variations, the features of the respondents' demographic makeup, which includes gender, age and number of followers, are examined. The source credibility theory is used in the study. The Pearson Correlation analysis is used to indicate that all predictor variables possess a favourable association with the consumer's intent to buy and regression analysis is used for calculating the prediction and strength of influence.

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Both credibility and similarity with influencers are shown to favourably affect consumers' propensity to purchase Instagram, however, the beta coefficient indicated that credibility with influencers had a greater impact. The findings of the study provide marketing practitioners with a clear insight into the parts of credibility of social media influencers may have an impact on a company's target market and their propensity to purchase the product that is being marketed to them. The results recommend that influencer marketing may be an effective branding strategy, that should be considered when developing a marketing strategy. But, to further investigate this outcome, we recommend conducting additional research investigating the subject matter of 'influencer marketing'.

Keywords

Influencer, social media, Instagram, credibility, similarity

Received 20 September 2022; accepted 15 May 2023

Executive Summary

As more customers resort to online channels, businesses stay coming to realise the supremacy that influential individuals wield popular swaying a consumer's choice to make a purchase. Influencers on social media are gaining a dominant position on the internet as a result of the exceptional work and the presence they provide. This article investigates the influence that credibility and similarity have with social network influencers on Instagram users' purchase intention. The time frame covered by this study is from October 2021 to April 2022. Through the use of a Google forms-based survey, the research was carried out to collect responses from people on Instagram who subscribe to at least one social media influencer, the sample size was calculated to be 384 using Cochran's formula. The purposive sampling method is used. This study's sample population is made up of people who live in Delhi and the National Capital Region (NCR) in Haryana, which is right next to Delhi. This is done to make sure that the results are accurate for the whole country of India. Delhi is the capital of the country. In addition to Delhi, the cities of Gurugram, Faridabad, Sonipat and Jhajjar, which are all near Delhi, are also covered. Jamovi version 2.2.5 was used to analyse the data. In this study, the source credibility model is utilised (Ohanian, 1990). A theoretical model was built as a result of the outcomes of this research to better understand the link between credibility, similarity and the desire to make a purchase. Correlation and regression analysis is applied. According to the findings of the study, credibility and similarity are both factors that positively influence a user's intention to make a purchase on Instagram, and there is a considerable correlation found between credibility, similarity, and the intention to make a purchase. In this case, a good relationship is developed, which suggests that the more trustworthy and comparable the closer an individual connects with the celebrity, the greater the likelihood that the person will purchase the products recommended by the influencers. However, the beta coefficient demonstrates that credibility with influencers

influences purchase intention more than similarity with influencers does. In addition, this study indicated that Instagram users follow fashion influencers more than other types of influencers, including those in the entertainment industry and those in other fields. The findings of this study provide researchers with ideas for further investigations to determine why people engage with influencers on other major social networking sites on the internet, such as Facebook, blogging and vlogging. Other aspects, such as familiarity and integrity, knowledge and the expansion of theoretical models, should be examined in further study. As the subject of influencer marketing develops, new issues will be raised and the dynamic interaction between influencers and the individuals who follow them will be researched in greater detail.

Introduction

Social media is all about individuals interacting and developing relationships but there is a dark side to one's online conduct which forced Facebook, the search engine to limit engagement. YouTube disabled comments on videos showing children in February 2019 as a result of their rapacious habits (Binder, 2019). As Instagram explored concealing users' likes and views to 'focus on the uploaded content'. Facebook is also reportedly contemplating concealing likes from its News Feed (Constine, 2019). While some believe blocking comments and engagement would improve the digital environment, others, notably social media influencers, believe it will harm their relationship with their followers (Alexander, 2019). These behaviours also raise concerns regarding influencer marketing. Many companies have decided to collaborate with social media influencers due to the difficulties of directly connecting with customers on social media (Kapitan & Silvera, 2016).

In order to reach a certain target audience, this tactic makes use of influential people in that field. Social media influencers are employed to update online followers about new products and promotions via Facebook, Instagram, Twitter and YouTube (Markethub, 2016). Influencers on social media generally interact with their fans by constantly updating them (Liu et al., 2012). Nowadays, social media influencers are active third-party promoters (Freberg et al., 2011). In marketing, endorsement helps build a company's reputation and achieve commercial goals. Compared to traditional marketing tactics (i.e., celebrity endorsement), in order to promote individuals as potential endorsers, digital influencers have developed a spectrum of keywords (Harrison, 2017; Talavera, 2015). Influencers on social media may also impact media attention and client persuasiveness (Booth & Matic, 2011). However, there is still a scarcity of studies on social media influencers (Godey et al., 2016). Everywhere, people are bombarded with ads. On TV, in movies, online articles, podcasts and in shops. Ads are everywhere, extracting their attention. Only 14% of respondents could recall their previous commercial and identify its content, according to Infolinks, a digital advertising network (Talavera, 2015). Influencers use all social media channels, but Blogs, videos on YouTube, Facebook, Instagram and Twitter work best (Markethub, 2016). A girl with 10,000 people following her on Instagram obtaining a dress for a review is an

influencer marketing effort or a blogger with twice as many readers reviewing a shampoo and being paid by the firm. It is interesting to note that the study (Van Dam & Van Reijmersdal, 2019) indicates that Instagram users appear to be fully aware of the advertisements that are displayed on Instagram. This leads us to wonder whether we ought to be worried about Instagram users' capacity to recognise influencer marketing and whether Instagram users require disclosures. Because of this, it is still unknown if individuals can recognise influencer marketing when it is placed in the larger and in the more realistic Instagram feed layout. In the framework of Web 2.0, the social network that is the focus of this investigation is Instagram. Instagram is a digital platform that was introduced in 2010 and enables its handlers to circulate photographs as well as videos with other people on Instagram via utilising an application (Manikonda & Kambhampati, 2014). Through the use of videos and still photographs, this social networking platform enables its users to instantaneously share their day-to-day lives with their families and friends. Instagram is the platform that has made it feasible to authenticate a larger number of digital influencers than any other site. Therefore, we can see a bigger communication of brands within this social network by way of opinion leaders here. This social network has been popular as an instrument of influence marketing since the communication that takes place on it takes the form of photographs or videos, both of which assist the customer in absorbing the information that is being conveyed to them. Numerous research studies have been undertaken to investigate the effect of various influencer features on purchase intention (Farivar et al., 2017; Weisberg et al., 2011). The features and elements that influencer marketing is dependent on have been the subject of several studies, including those conducted by Xiao et al. (2018) and Majidian et al. (2021). There has also been a study on the credibility component (Rebelo, 2017), with one of these studies, in this research integrating an additional variable similarity that is associated with credibility and assessing the combined influence on purchase intention. Other studies have been conducted on a variety of platforms, with many of them focusing on the YouTube platform (Boerman & Van Reijmersdal, 2020; Brown, 2019); however, this study makes use of Instagram as a social media platform because it is the most popular at the time of the study.

Rationale of the Study

This article has a practical contribution related to testing if an influencer's credibility influences consumers' intentions while purchasing, the researcher' also took a variable 'similarity' from the existing literature to see how credibility and similarity both have an effect on consumers' intent to buy on Instagram, as it is the area in which empirical research is rather rare. The study uses the source credibility theory (Ohanian, 1990). The goal of the present investigation is to look at the impact of the credibility of influential individuals on consumer buying intentions using the source credibility theory, which explains the presence of several source credibility components. The purpose of this study intends to investigate the effect of source (influencer) legitimacy on customers' purchasing intentions on one social networking platform, specifically Instagram. Prior research investigations

on social media in general mostly explored advertisement efficacy and buy intention through the mediating role of credibility of sources (La Ferle & Choi, 2005; Wang et al., 2017). The remainder of the paper is structured in the following order. First, a survey of the relevant literature about the theory of source credibility is presented, as the research model that is used and the hypotheses that are investigated for this study. Next in this article, the technique that was utilised to conduct the research is discussed. This includes the creation and administration of the questionnaire, as well as the statistical procedure. After this, a discussion of the findings and an analysis of their theoretical and practical ramifications are presented, respectively. The article is wrapped up in the last section, which discusses the limits of the investigation as well as the potential new directions based on the outcomes of this research, that can be taken further.

Research Objectives

- To find the correlation between influencers' credibility with consumers' purchase intention and influencers' similarity with consumers' purchase intention.
- To study the impact of credibility with influencers' on consumers' purchase intention.
- To study the impact of similarity with influencers' on consumers' purchase intention.

Review and Theoretical Background

Social Media Influencer

There are many online personalities with huge numbers of followers on many social networking channels (like Instagram, YouTube, Snapchat or personalised blogs) that make an impact on their supporters through social media influencer marketing (Agrawal, 2016; Varsamis, 2018). Branded content created by influencers is viewed as more organic, real and direct to potential customers than commercials created by brands themselves (Talavera, 2015). Social networking influencers are 'normal people' who have become 'online superstars' through the creation and distribution of content on various social networking channels.

Health, travel, cuisine, lifestyle, beauty and fashion are just a few of the areas in which they have specialised knowledge. When it comes to the practice of influencer advertising, it refers to the use of social media influencers to generate and/or promote sponsored content for the benefit of the influencers themselves and their businesses' target customers. It is becoming increasingly popular.

Instagram

An Instagram influencer is a content creator who focuses their efforts on the photo-sharing app Instagram. While many influencers are active on other online

communities like Twitter or Facebook, as well as other platforms for social media, they still prioritise Instagram since it is one of the most essential platforms for them and generates a significant amount of revenue. Instagram is a great place to learn about influencers, but it isn't the only place where individuals may be influential. Influencers may also make a lot of money on YouTube, which is a highly popular place for them to do their thing. Due to Facebook's algorithm and technological differences, influencers on Facebook have less effect than those on Instagram or YouTube, but they still have a large following. LinkedIn is also home to a wide range of professional influencers who have been able to expand their reach with activists across a wide range of professions. Influencers on this social network who don't focus on a certain profession but are active in the field of professional achievement have followers from many walks of life and professions. When it comes to social media marketing, Instagram is the most popular platform for influencers from across the world to promote their products and services (Pashaei, 2020). As Instagram's popularity has grown, so has the number of businesses that have established an online presence on the social media platform are increased. According to the statistics from Instagram, advertisers that wish to reach their target demographic must take advantage of this phenomenon immediately (Brandwatch.com, 2016). Consequently, marketing strategists that are aware of how consumers perceive influencers may be able to work productively (Van der Walldt et al., 2009).

Theoretical Background (The Theory of Source Credibility)

Media credibility is a communication science notion that hasn't lost importance due to media situation changes. Media credibility has hands-on ramifications for handlers, and some writers link internet-based media credibility towards the transmission of any erroneous and biased information, misleading or disinformation as information that is defective.

Long before the advent of social media, media credibility was examined on the following three levels: source, message and channel. The previous study characterised source credibility using trustworthiness, knowledge, dynamism, composure and sociability. Previous studies on website credibility demonstrated that credibility has significance in the hunt to discover information.

Source credibility relates to how customers see the source of information. Defining source trustworthiness on social media can be difficult because of anonymous and various writers; there are no gatekeepers and a mash-up of subject matter and advertising. People are more likely to trust particular information if others do as well. Online gurus are seen as a combination of sources and the media.

Earlier studies on the source's reliability focused on the celebrity endorser's reliability, attractiveness and skill (Ohanian, 1990). In the source credibility theory, based on the following three aspects: trustworthiness, knowledge and attractiveness, Munukka et al. (2016) included similarity (the likeness between influencers and their followers, regarding demographic or ideological criteria). This study uses this theory in an influencer marketing context via the Instagram platform.

Credibility

Source credibility, according to the definition, relates with reference to ‘the beneficial traits of a communicator that impact the recipient’s reception of the information’ (Ohanian, 1990). Hovland and Weiss (1951) According to the credibility model, someone’s capacity to convince another person is determined by the endorser’s acknowledged level of skill and sincerity. Knowledge from a reputable source can impact the ideas, behaviour, views and feelings of consumers. The source credibility of influencers has generated a lot of focus recently because consumers often see peers and the influencers they follow as being credible (Nielsen, 2013). When it comes to credibility, there are a variety of aspects that impact how others perceive the influencer’s message. In terms of their credibility and morals, individuals are more likely to believe those who are honest, sincere and true in their actions and words credible. Perhaps, since they do not remember every detail of the interaction, the general people will be much more inclined to place their faith in the information that is being conveyed to them. It was necessary to conduct extensive research on ‘source effects’ to accomplish this (Ohanian, 1990). As a result, consumers are becoming increasingly distrustful of marketing advertising, creating a need for authenticity in both product and message.

The dimensions of source credibility are as follows:

1. *Attractiveness*

The term ‘appeal’ is defined by Erdogan (1999) as the ‘pattern of favourable associations, including physical attractiveness but also other attributes such as both the person’s temperament and their physical skill’. When it comes to generating effective messaging, attractiveness is also believed to be a vital aspect (Schlecht, 2003). The effect of beautiful influencers is generally stronger than that of less attractive ones on customers (Kahle & Homer, 1985). While Baker and Churchill (1977) demonstrated that attractiveness does influence evaluations positively, it does not affect purchase intentions since it is insignificant.

2. *Trustworthiness*

During communication, the trust paradigm refers to whether the audience believes the influencer or accepts the message (Sallam & Wahid, 2012). The trustworthy influencer, whether an expert or not, according to Ohanian (1990), was more compelling. According to one definition, trustworthiness is ‘the degree to which the endorser’s honesty, integrity and credibility are demonstrated’ (Van der Walddt et al., 2009). A different sense of credibility is the level of faith that customers have in the intent of influencers to supply the assertions that they think to be the most valid.

3. *Expertise*

Expertise can be defined as ‘authoritativeness’, ‘competence’ (in 1968), ‘expertness’ (in 1972) or ‘qualification’ (Berlo et al., 1969). A second definition of expertise is the degree to which an endorser is believed to possess the necessary knowledge, experience or abilities to sell a product (Van der Walddt et al., 2009). When it comes to endorsements, it is not

crucial whether or, not customers believe the endorser knows the area (Erdogan, 1999). As expertise is often recognised as the most crucial component of endorsement success Unlike produced spokespersons, influencers may be viewed as having greater experience. Briefly stated, when Instagram users see an influencer as professional, experienced, informed, qualified or skilful, the competence of the influencer is taken into consideration (Ohanian, 1990).

- **Similarity**
Consumers adopt an influencer's ideas, attitudes and actions if they feel they reflect their values and interests (Cialdini, 1993). A personal touch on social media helps an influencer look more 'ordinary', humanised, accessible, real and trustworthy. In other words, influencers look more relatable to their fans when they 'downplay' their position and share more of their everyday lives. Influencers frequently engage their fan base in posts they write about (Erz & Christensen, 2018). Schouten et al. (2020) claim that being able to remark on an influencer's postings increases their sense of similarity.
- **Purchase intention**
Commercial communication has changed due to social media. People are increasingly using YouTube, Instagram, Facebook and other social media apps, and they are having an increasing impact on their purchasing patterns. While making a purchasing decision, today's shoppers frequently use social media to obtain product details and past influencers' opinions, since they progressively rely on material shared by other users, notably on Instagram channels. Some authors, including Bahtar and Muda (2016), have indicated that this occurs daily, based on the fact that numerous product-related photographs and videos are readily available on Instagram. Additionally, consumer's buying intention might be considered as the ultimate intention about a certain product or service. It is believed as 'the mental stage' for forming a choice for the target customer to develop a true readiness to achieve in the direction of a product (Dodds et al., 1991).

Conceptual Framework and Hypothesis

In particular, reputable endorser has a beneficial impact on the impression of customers in general (Goldsmith et al., 2000). Information offered by a credible source (e.g., social media influencers) has the potential to impact customers' ideas, opinions, attitudes and behaviours (Wang et al., 2017). Aaker and Myers (1987) found that influencers who are perceived as experts are more persuasive (and hence more capable of boosting consumer purchase intention) (Ohanian, 1991).

H_1 : Credibility with influencers positively influences purchase intention.

Martensen et al. (2018) define similarity as the resemblance between the sender and recipient. Similarity attracts, trusts and understands people more than

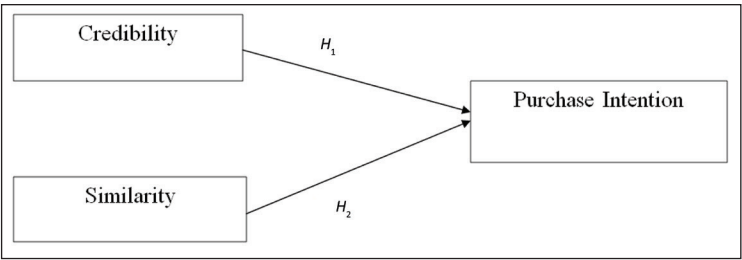


Figure 1. Proposed Hypothesised Model Derived from Literature Review.

dissimilarity. Afterwards, the writer goes on to clarify that in an offline context, somebody who receives is more inclined to be persuaded by an individual with whom they connect. The more empathy one has for the celebrity, the more confidence and trust one has in them. A few fans identify with the influencer, while others aspire to become like the innovator (Hoffner & Buchanan, 2005). Thus, the following proposition is made:

H₂: Similarity with influencers positively influence purchase intention.

Figure 1 shows the proposed Hypothesised Model derived from the literature.

Research Methodology

This study uses primary data to analyse the credibility aspects with the similarity of social networking influencers and their effect on consumer propensity to buy. Descriptive, since several researchers have already evaluated customer credibility to follow an endorsement and buy intention so it is backed up by secondary evidence from the quantitative studies also. The survey also only consists of users of Instagram who are active and who adhere to one or more influencers and opinion leaders. Main data were obtained via an online survey with the help of Google form and analysed in Jamovi version 2.2.5.

Sampling

The study’s statistical population was a subset of all Instagram users. They are limitless in number. There is no limit to how many there are. The sample size of 384 (Majidian et al., 2021) participants was determined using Cochran’s formula. The purposive sampling method is used for this study. The sample population for this study is made up of people from Delhi and the surrounding NCR in the state of Haryana. This is done so that the results can be used to describe the situation in India as a whole. Delhi is the capital of the country. Along with Delhi, this coverage also includes the cities of Gurugram, Faridabad, Sonipat and Jhajjar, which are all close to Delhi.

Data Collection

The researcher designed a questionnaire for this study. Influencers' behaviour was defined using a web-based survey with closed-ended inquiries and a five-point Likert scale. As a result, responses ranged from 'strongly disagree' to 'strongly agree'. The data were collected from users that use Instagram social media platforms.

Questionnaire and Measurement

The initial component of the questionnaire consisted of a demographic profile, which was followed by the abstract variables that were proposed for the study. Based on previously established measures, all variables were assessed. In the first place, Ohanian's (1991) study on source credibility was adopted. Attractiveness items are 'I follow the particular influencer/s on Instagram channel as they are "attractive", "classy", "handsome", "elegant", "sexy". Trustworthiness items are "Dependable", "honest", "Reliable", "Sincere", "trustworthy" for the product being endorsed'. Expertise items are

I follow Influencer/s on the platform 'Instagram' as they are expert in the product or brand endorsed, experienced in the product or brand endorsed, knowledgeable in the product or brand endorsed, qualified in the product or brand endorsed, skilled in the product or brand endorsed.

Second, the similarity is adopted/adapted from the research of Martensen et al. (2018) and Ruef et al. (2003). Various items are 'I have a lot in common with the particular influencer I follow on Instagram, I use the same product as the Instagram influencer I follow, have the same taste in products, have the same hobbies, have the same style'. Lastly, the purchase intention scale was adapted from Dodds et al. (1991) research. The items are 'intend', 'will likely' and 'willing to' buy the products that are promoted/endorsed by influencers on the channel 'Instagram'. A total of 22 items were used in the study with other demographic questions.

Data Analysis and Results

Table 1 shows the demographic profile of respondents where the researcher/s found that the maximum number of respondents spend 1–3 hours on Instagram. Fashion influencers are more followed by Instagram users other than entertainment, fitness and beauty, food, tourism and technology, and others. Around 69.79% of respondents follow 0–5 influencers.

Reliability Analysis

Cronbach's alpha scores below 0.60 are undesirable and values more than 0.65 and less than 0.70 are considered minimum desirable. Cronbach's alpha values from 0.70 to 0.80 are considered acceptable, whereas values from 0.80 to 0.90 are considered excellent, according to DeVellis (1991). The construct credibility

Table 1. Description of Demographic Profile.

Demographic Information	%	Frequency
Gender		
Male	46.09	177
Female	53.9	207
Marital status		
Married	25	96
Unmarried	73.95	284
Others	1.04	4
Education		
Up to higher secondary	7.29	28
Undergraduate	27.86	107
Postgraduate	29.94	115
Postgraduate and above	34.89	134
Age		
Below 18 years	3.90	15
18–25 years	46.09	177
26–35 years	41.92	161
36–45 years	4.94	19
Above 45 years	3.12	12
Occupation		
Student	54.94	211
Employed	34.89	134
Business	3.12	12
Unemployed	7.03	27
Monthly family income (in ₹)		
Below 40,000	27.86	107
41,000–90,000	33.07	127
91,000–1,50,000	23.95	92
Above 1,50,000	15.10	58
Time spending on Instagram (per day)		
Less than 1 hour	36.97	142
1–3 hour	43.75	168
3–hour	16.92	65
More than 5 hours	2.34	9
Type of influencers followed		
Fitness and beauty	20.83	80
Fashion	27.08	104
Food	13.80	53
Entertainment	23.95	92
Tourism	7.55	29
Technology and others	6.77	26
No. of influencers followed		
0–5	69.79	268
5–10	19.79	76
10–15	5.98	23
15–20	3.12	12
Above 20	1.30	5

Source: Description of demographic profile collected through questionnaire by authors.

(with its dimensions) and similarity’s Cronbach’s alpha are more than .80 which is excellent. Purchase intention has a Cronbach’s alpha of 0.767, which is also acceptable. This indicates that the scales are internally consistent. Table 2 shows all scale items Cronbach’s alpha and no. of items.

Correlation Analysis

Correlation (*r*) explains the extent of linear association between two variables, that is, the degree to which two variables move together. The value of *r* ranges between –1 and 1, where –1 denotes perfect negative correlation (where one variable increases the other variable decreases) and 1 denotes perfect positive correlation (where one variable increases the other variable also increases). Pearson’s correlation test is used to test the significance of the correlation between two variables.

Table 3 describes that the correlation between all variables was examined to see if there is a relation between credibility (its dimensions of ‘attractiveness’,

Table 2. Analysis of Scales’ Reliability.

Constructs		Cronbach’s α	No. of Items
1.	Credibility	0.948	15
	Its dimensions: Attractiveness	0.949	5
	Trustworthiness	0.889	5
	Expertise	0.951	5
2.	Similarity	0.866	4
3.	Purchase intention	0.767	3

Source: Reliability analysis calculated through Jamovi version 2.2.5.

Table 3. Pearson’s Correlation Analysis.

		Purchase Intention
Attractiveness	Pearson’s <i>r</i>	0.551***
	<i>p</i> value	<.001
	<i>N</i>	384
Trustworthiness	Pearson’s <i>r</i>	0.632***
	<i>p</i> value	<.001
	<i>N</i>	384
Expertise	Pearson’s <i>r</i>	0.591
	<i>p</i> value	<.001
	<i>N</i>	384
Credibility	Pearson’s <i>r</i>	0.687***
	<i>p</i> value	<.001
	<i>N</i>	384
Similarity	Pearson’s <i>r</i>	0.675
	<i>p</i> value	<.001
	<i>N</i>	384

Source: Correlation analysis computed through Jamovi version 2.2.5.

Note: ****p* < .001.

‘expertise’ and ‘trustworthiness’) and purchase intention. Furthermore, the relationship between a similarity and intent to buy was looked at. The researcher found all associations are positive and substantial. The variables are associated with a 0.001 level of significance. The construct credibility (0.687) has the strongest association than similarity (0.675) with purchase intention. Other than that, the researcher also found that among dimensions of credibility, trustworthiness has the strongest association with purchase intent. A moderate positive correlation of 0.632 exists between purchase intention and trustworthiness. That also exceeds the substantial correlations as expertise (0.591) comes second, followed by attractiveness (0.551). The *p* value is less than .001, which denotes that there is a significant relationship between independent and dependent variables.

The presence of collinearity can be determined by examining whether or not two predictor variables have a strong correlation with one another. To solve this problem, we look at the inflation factor for the inner variance (inner VIF [variance inflation factor]). The presence of collinearity between constructs is indicated by any VIF value that is greater than 5. If the VIF is greater than 5 or greater than 10, then the situation is problematic (Gareth et al., 2013). The highest VIF that our model can get is 3.21. Therefore, it would appear that collinearity is not a problem. For the tolerance and the VIF, a rule of thumb that is commonly stated is that the tolerance should not be lower than 0.1 and that as a result, the VIF should not be higher than 10.

Regression Analysis

A multivariate linear regression model is generated with the intent to buy as the dependent variable and credibility and similarity with the influencer as predictor variables. Model fit measures and regression model ANOVA results are shown in Table 4.

In Table 5, *R* represents the correlation between the observed value of purchase intention from the original data set and the predicted value of purchase intention. The value of the *R*² statistic, which is commonly referred to as the coefficient of determination, denotes the percentage of the variance in the purchase intention explained by the regression model. An *R*² value closer to 1 means the regression model explains the variance in the purchase intention better. This regression model (credibility and similarity both) explains overall 51.5% of the variance in purchase intention.

The results of ANOVA, represented by the overall model test, explain the significance of the model in explaining the variance of the dependent variable.

Table 4. Collinearity Statistics.

	VIF	Tolerance
Similarity	3.21	0.312
Expertise	2.63	0.381
Trustworthiness	2.28	0.439
Attractiveness	2.29	0.436

Source: Calculated from primary data.

Table 5. Model Fit Measures.

Model	R	R ²	Adjusted R ²	F	Overall Model Test		
					df ₁	df ₂	P
I	0.718	0.515	0.512	202	2	381	<.001

Source: Created by authors with the use of Jamovi 2.2.5.

Table 6. Model Coefficients: Purchase Intention.

Predictor	Estimate	SE	T	P	Stand Estimate
Intercept	0.802	0.1281	6.26	<.001	
Credibility	0.427	0.0629	6.80	<.001	0.408
Similarity	0.331	0.0571	5.79	<.001	0.348

Source: Created by authors with the use of Jamovi 2.2.5.

Here, the *F*-value is 202 and the *p* value is less than .001, a significant regression equation was identified ($F(2, 381) = 202, P .001$, with an R^2 of 0.515). Hence, the regression model is significant enough to explain the variance in purchase intention.

Table 6 shows the summary and coefficients of the regression model. Where the outcome variable is purchase intention, the estimate of intercept/constant is 0.802, and the estimate of the predictor, credibility and similarity are 0.427 and 0.331, respectively. Both the intercept and predictor are significant in the model with a *p* value less than .001. This, the regression model for predicting the purchase intention based on credibility and similarity, can be represented by the following regression equation:

$$\text{Purchase intention} = 0.802 + (0.427 * \text{Credibility}) + (0.331 * \text{Similarity})$$

When comparing the contributions of each predictor variable, the standardised beta coefficient was used to make the comparison. The credibility variable has the highest value determined in this research, at 0.408, which indicates that credibility makes the most significant unique contribution than similarity with a beta value of 0.348 to explaining the dependent/outcome variable.

If we compare the different aspects of credibility, where the outcome variable is purchase intention, the estimates of the predictors' attractiveness, trustworthiness and expertise are 0.476, 0.637 and 0.498, respectively, and the predictors are significant in the model when each aspect of credibility has a *p* value of less than .001 as shown in Table 7. The standardised beta coefficient was used to compare the contributions of each credibility dimension predictor variable. With a value of 0.632, the trustworthiness variable has the highest value found in this research. This means that it explains the dependent/outcome variable better than other dimensions like expertise (0.591) and attractiveness (0.551).

Table 7. Model Coefficients: Purchase Intention (Comparison Among Dimensions of Credibility).

Predictor (Credibility Dimensions)	Estimate	SE	T	P	Stand Estimate
Attractiveness	0.476	0.0369	12.9	<.001	0.551
Trustworthiness	0.637	0.0399	15.95	<.001	0.632
Expertise	0.498	0.0348	14.3	<.001	0.591

Source: Calculated from primary data.

Discussion

The study examined how credibility and similarity affect purchasing intention. The findings in Table 2 demonstrate that all constructs had Cronbach’s alpha values better than 0.80, indicating good dependability. The researchers also investigated collinearity and discovered no multicollinearity problem as each the VIF value for credibility dimension (trustworthiness, expertise, and attractiveness) and similarity was less than 5 and tolerance value more than 0.1. Potential influencer trust antecedents found that customer trust is affected by influencer resemblance, reputation, brand credibility and message credibility. Regression analysis examined how credibility and similarity affect buying intention. Credibility and similarity explain 51.5% of purchase intention variance. Regression models with higher R^2 values describe purchase intention variance better. ANOVA’s overall model test shows the model’s relevance to dependent variable variation. $F(2, 381) = 202, P.001, Re\ 0.515$, is a reasonable regression equation. Regression explains purchasing intention variance. Purchase intention intercept/constant estimates are 0.802, 0.427 and 0.331. Intercept and predictor p values are below .001. Credibility has a beta value of 0.408, making it a more important and unique contributor to explaining the dependent or outcome variable than similarity, which has 0.348. This research shows that credibility has the highest value. When the standardised beta coefficient compared credibility dimension predictor variables’ contributions, this study gives trustworthiness 0.632. It best describes the dependent/ outcome variable than other dimensions. Hence, from the analysis H_1 , that is, credibility with influencers positively influences the purchase intention is accepted. In other words, influencers have access to a broad and varied audience, which enables them to have a significant immediate impact on the world around them. So, influencers see a certain power that they can exercise, both in terms of their credibility and the influence they have on the consumer’s intent to make a purchase (Dhanesh & Duthler, 2019). Because of their high levels of authenticity and trust with their audience, it is therefore highly desirable for brands to form collaborations with these influencers. Yet, it is important to keep in mind that the power that these influencers have over the actions and perceptions of their audience is not constant. H_2 , that is, similarity with influencers positively influences the purchase intention is accepted. This hypothesis is also supported by previous literature. It is observed that a high degree of similarity explains a consumer’s

buying purpose. Social media users can see that two people share demographics, backgrounds, hobbies, attitudes, social positions and lifestyles. Generational disparities are caused by sociocultural changes. Researchers have also found generational similarities.

Theoretical Contributions

The findings of the research that is carried out bring value to the field of academia and the growing canon of the literature on the topic of influencer marketing and the part played by digital influencers in shaping buyer behaviour. In contrast to the majority of previous research, which assessed the three facets of credibility (Rebelo, 2017), this study includes a ‘similarity with influencer’s’ variable that was proposed by Lou and Yuan (2019). In addition, the research broadens our understanding of the unique impact that each of the credibility dimensions has on the customers’ intention to make a purchase in terms of adhering to the influencers of Instagram. Prior research has focused on the reliability construct’s mediating role and how it affects the efficiency of promotion.

Managerial Implications

For this study, it is analysed Instagram users’ perceptions about the legitimacy of the influencers they engage with, as well as the influence this has on their buying intentions. For efficient marketing efforts and personal connections, it is essential to investigate this for advertisers and marketers to know the perceived credibility and similarity of an influencer is important so that it may develop fresh communication methods that can satisfy the audience. The findings of the study give marketing practitioners a clear insight into the aspects of digital influencers’ credibility that might affect a company’s potential consumers and their inclination to acquire the product that is being marketed. As a result, those who work in marketing should develop partnerships with individuals who have a captivating presence on Instagram as well as a reputation for being dependable and credible sources of information.

Conclusion

It is becoming increasingly important to have a comprehensive understanding of how various marketing strategies are affecting the culture in which people live because social media influencers are becoming more active in marketing nowadays. Because social media influencers are always staying abreast of the most recent developments in their respective industries, they have a significant advantage when it comes to comprehending the desires and intentions of the people who follow them on social media. The present study yielded results that facilitated the development of a theoretical framework aimed at enhancing comprehension of the interplay between credibility, similarity and purchase intention. According to the findings of the study, a strong correlation has been shown to exist between

believability, resemblance and purchase intention. In this case, a positive association has been established, which suggests that the greater a person's sense of credibility and similarity with the influencer, the greater the likelihood that they will buy the things recommended by the influencers themselves. The findings of the inquiry led to the following conclusions: the direction of the regression (increase), the strength of the regression (0.512), the value of the regression (202), the degree of freedom (2, 381) and the significance level (.001). As a consequence, H_1 and H_2 can both be accepted. On the Instagram platform, credibility and resemblance are two variables that can alter a user's decision to proceed with a purchase in a good direction. The researchers found, through the utilisation of standardised beta, that credibility influences more than similarity does. As the field of influencer marketing continues to advance, more questions will emerge in the not-too-distant future, and the dynamic relationship that exists between influencers and the people who follow them will receive additional scrutiny.

Recommendations Concerning the Future and Possible Constraints

During the entirety of the study, the quantitative approach might be improved by those in charge of handling consumer engagement for brands that want to use Instagram as an advertising vehicle and the network's users as influencers. For future study, it would be great to find out why users connect with influencers and apply this to other popular social media sites like Facebook or Blogs. The other aspects also were not taken into consideration in this study due to time. Further research could look into other factors like familiarity and integrity, knowledge and the extension of theoretical models that might be used to do so. Marketers might make a huge impact by exploring this knowledge dimension.

Declaration of Conflicting Interests

The authors declared no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

Funding

The authors received no financial support for the research, authorship and/or publication of this article.

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The Role of Subjective Norms in the Formation of Entrepreneurial Intention: The Case of a Matrilineal Society

Review of Professional Management:
A Journal of Management
21(2) 165–177, 2023
© The Author(s) 2023
DOI: 10.1177/09728686231205364
rpm.ndimdelhi.org



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Abstract

The consideration of intention holds significant importance within the entrepreneurial process for individuals who are contemplating the initiation of a new business venture. It is the pre-self-employment contemplative process. The primary aim of this study is to examine and substantiate Ajzen's theory of planned behaviour model, specifically exploring the predictive nature of personal attitude, subjective norms and perceived behavioural control in relation to entrepreneurial intention. Another part of this article will investigate and analyse the specific role that subjective norms play in the formation of the entrepreneurial intention of the youth within the context of a matrilineal society. The study pertains to 929 undergraduate and postgraduate students studying in various colleges and universities of Meghalaya. Statistical techniques such as path analysis, ANOVA and regression analysis are employed in the study. The findings of the study show that personal attitude and subjective norms have a significant effect on entrepreneurial intention. Furthermore, it has been revealed that the kinship system has an impact on subjective norms.

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Keywords

Entrepreneurial intention, theory of planned behaviour, subjective norms, kinship system, matrilineal society

Received 16 September 2022; accepted 1 September 2023

Introduction

The field of entrepreneurship research is experiencing increased recognition and interest within a significant number of developing nations. The concept of entrepreneurship presents itself as a feasible strategy for attaining the objective of sustained economic growth in the majority of developing nations. Throughout the course of human history, it is evident that it has played a significant and indispensable role in the progression of contemporary society, spanning across various historical epochs (Shane & Venkataraman, 2000). In a country like India, where the twin problems of poverty and unemployment coexist, the role of entrepreneurship is critical. However, in North-East India, particularly in Meghalaya, where the majority of youth prefer employment in the public sector, entrepreneurship is not a popular career option. For example, the public sector employed 55,707 people in 2011–2012, compared to 6,992 in the private sector in Meghalaya. Likewise, the total number of establishments engaged in economic activities other than crop production, plantation, public administration, defence and compulsory social services in the state stands at 1,06,758, which accounts for around 3.95% of the total number of establishments in the North-Eastern region and around 0.18% of the total number of establishments in the country (Directorate of Economics and Statistics, 2014).

Literature Review***Entrepreneurship and Entrepreneurial Intention (EI)***

One of the primary areas of emphasis in these studies pertains to examining the aspirations of prospective entrepreneurs, particularly among young individuals enrolled in institutions of higher education. There is evidence to suggest that scholars have begun to acknowledge the significance of EI as a crucial element in society's pursuit of fostering entrepreneurship (Engle et al., 2010; Fitzsimmons & Douglas, 2011). The consideration of intention plays a crucial role in the entrepreneurial process for individuals contemplating the initiation of a new business venture (Israr & Hashim, 2015). It is the contemplative phase leading up to self-employment (Liñán & Chen, 2009; Vesalainen & Pihkala, 1999). According to Zampetakis et al. (2009), EI influences entrepreneurial behaviour in two ways. First, those with a high self-perceived EI may have a higher tolerance for stress and environmental stressors. Individuals with a high EI are also more proactive and inventive, thereby fostering entrepreneurial behaviour.

Despite the fact that EI is regarded as the most proximal and significant predictor of behaviour (Krueger et al., 2000), Schjoedt (2018) reports that intention has a limited impact on behaviour. The intention-based models of entrepreneurship place a heavy emphasis on perceptual attributes, such as perceived feasibility and perceived desirability, as a crucial precursor to the emergence of entrepreneurial behaviour (Krueger & Carsrud, 1993). According to Ajzen (1991), the more likely someone is to desire to engage in a particular behaviour, the more favourable their attitude and subjective norm towards it are, and the more control they believe they have over their own behaviour. Therefore, it is expected that the relative importance of attitude, subjective norms and perceived behavioural control in predicting intention varies across behaviours and situations.

According to the Ajzen's theory of planned behaviour (TPB), if people evaluate the suggested behaviour as positive and believe that those around them want them to perform the behaviour, this increases their intention to perform the behaviour, and they are more likely to do so (Brännback & Carsrud, 2018; Fishbein & Ajzen, 1975). In addition, the TPB is founded on social psychology principles regarding how human behaviour is planned and preceded by intentions towards that behaviour (Ajzen, 1991). Ajzen argues that intentions, in general, depend on perceptions of personal attractiveness, social norms and feasibility (Krueger et al., 2000). The TPB consists of three constructs: attitude towards the behaviour, subjective norms and perceived behavioural control.

Subjective Norms and EI

Subjective norms refer to the social pressure exerted by the environment on the individual to engage in or abstain from a particular behaviour; for example, parents who have had negative experiences with entrepreneurship may discourage their children from starting their own business (Ajzen, 1991). Several studies have examined the relationship between subjective norms and EI. For instance, Kolvereid (1996), Kolvereid and Isaksen (2006) and Tkachev and Kolvereid (1999) found subjective norms to be significant predictors of EI. However, contrasting findings were reported by Kolvereid (1996) and Kolvereid and Isaksen (2006), where subjective norms were found to be insignificant in predicting EI. According to the TPB, Autio et al. (2001) conducted a study that revealed a direct influence of subjective norms on EI. However, further empirical research is required to examine the impact of subjective norms on EI, as suggested by Krueger et al. (2000). The extant literature on the direct correlation between subjective norms and EI exhibits some degree of inconsistency (Tung, 2011).

Consequently, this study employs the TPB conceptual model (see Figure 1) to examine the empirical relationship between intention and subjective norms, while also considering the moderating influence of the kinship system on intention. However, Krueger et al. (2000) were unable to establish a relationship between EI and subjective norms. A study conducted among business students revealed that, of the three predictors, personal attitude and perceived behaviour

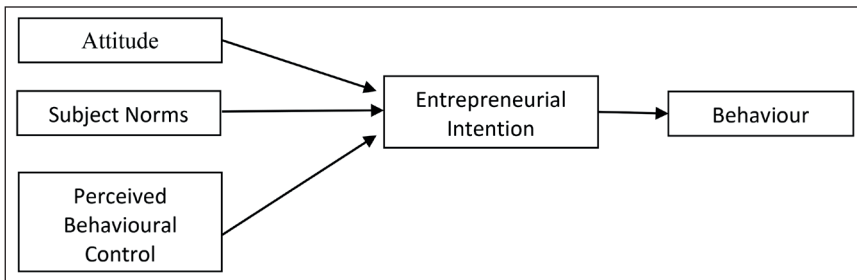


Figure 1. Ajzen's Theory of Planned Behaviour.

Source: Adapted from Ajzen (1991).

control have a greater impact on the determination of EI than subjective norms. Likewise, studies conducted by Pruett et al. (2009) and Zovko et al. (2020) reveal that cultural and social norms are statistically insignificant and account for a relatively small proportion of the EI of the students. Numerous studies argue that additional research is required to substantiate the existing findings (Kolvereid, 1996). In addition, studies conducted in India have paid little or no attention to the North-Eastern region and Meghalaya in particular in order to comprehend the dynamics that influence entrepreneurship and future entrepreneurial development.

Objectives of the Study

This article seeks primarily to investigate and comprehend the views of Meghalaya's youth regarding the possibility of pursuing entrepreneurship as a future career. The most important aspect of this article is to examine these issues through the lens of a matrilineal family structure in the Indian state of Meghalaya. Keeping this in mind, the objectives of this article are as follows:

1. To investigate if personal attitude, subjective norms and perceived behavioural control are predictors of EI within the context of the TPB.
2. To investigate if subjective norms have an impact on EI in the context of a matrilineal society.

Hypotheses of the Study

This study examines two hypotheses in order to assess the applicability of the TPB in explaining EI within the matrilineal society of Meghalaya.

1. There is no effect of personal attitude, subjective norms and perceived behavioural control on EI.
2. There is no significant effect of the kinship system on subjective norms.

Research Methodology

This study has been designed as an empirical investigation into the propensity of youth in Meghalaya to pursue entrepreneurship as a viable long-term career choice. The target population for this study consists of undergraduate and postgraduate students enrolled in Commerce and Business Administration/Management programmes across a range of colleges, institutions and universities in Meghalaya. The rationale behind this assertion is that these students are more inclined to have been exposed to educational opportunities related to entrepreneurship. Additionally, they are at a critical juncture in their career trajectory where they may consider pursuing self-employment as a viable option (Fitzsimmons & Douglas, 2011). There exists a substantial body of literature that demonstrates the significance of business students as a crucial target audience for entrepreneurship research (Achchuthan & Nimalathan, 2012; Dissanayake, 2013; Gelderen et al., 2008; Mahendra et al., 2017; Trivedi, 2017).

The study's sample population was selected from colleges and universities in the three primary districts of Meghalaya, specifically East Khasi Hills, West Jaintia Hills and West Garo Hills, which offer commerce and management courses. The rationale behind this decision is that these districts serve as the primary hubs for commerce and economic activities within the state. As a result, there is a higher likelihood that students pursuing commerce and management education in institutions located in these districts will be inclined towards selecting entrepreneurship as their prospective career path.

The survey instrument employed for data collection underwent a pre-testing phase, during which necessary adjustments were made in response to the findings of the pilot study. The researchers adhered rigorously to research ethics protocols during the process of data collection. In order to address the potential issue of a diminished response rate, a total of 1,500 questionnaires were disseminated among the student population. Subsequently, a total of 1,227 students provided their responses, resulting in a response rate of 81.8%. Among the 1,227 completed questionnaires that were collected, a total of 298 questionnaires were excluded from the analysis due to incomplete responses and missing data in multiple sections. Therefore, the 929 responses that remained, representing a response rate of 61.9%, were utilised for data analysis and interpretation.

Following the administration of appropriate reliability and validity assessments on the dataset, descriptive statistics, path analysis, ANOVA and regression models are employed to derive significant findings that align with the study's objectives and to evaluate the proposed hypotheses.

Data Analyses and Results

Background Profile of the Respondents

This section presents a background profile of the respondents. Table 1 shows the distribution of the respondents in terms of the age and gender. According to Table 2 both male and female respondents are equally represented.

Table 1. Distribution of the Respondents in Terms of the Age Group and Gender.

Age Group	Gender		Total
	Male	Female	
18–20	95	95	190
21–23	307	323	630
24–26	59	43	102
27–29	4	3	7
Total	465	464	929

Source: Primary data.

Table 2. Distribution of the Respondents in Terms of the Kinship System and Gender.

Gender	Kinship System		Total
	Matrilineal	Patrilineal	
Male	278	187	465
Female	260	204	464
Total	538	391	929

Source: Primary data.

As evident from Figure 2, the majority of the respondents (57.91%) belong to the matrilineal form of society, while the remaining (42.09%) belong to a patrilineal form of society. Furthermore, amongst the matrilineal society, 51.67% of the respondents were males and the remaining 48.33% were females. The respective percentages for males and females in the patrilineal society were 47.83% and 52.17%.

Reliability of the Data

Cronbach's alpha is employed in this study to evaluate the internal consistency, or reliability, of the data. According to Hair et al. (2010), a Cronbach's alpha value exceeding 0.7 signifies a satisfactory level of reliability and consistency within the system. According to George and Mallery (2019), a Cronbach's alpha value exceeding 0.9 signifies exceptional quality, whereas a Cronbach's alpha value below 0.5 indicates substandard quality. Given that the Cronbach's alpha coefficients for the various dimensions examined in this study exceed 0.7, it can be concluded that the data collected are deemed to be adequately reliable and consistent (see Table 3).

Validity of the Model Based on TPB

Attempts are being made to determine the validity of the entrepreneurial intention model (see Figure 3) based on TPB using the root mean square error approximation (RMSEA), goodness-of-fit index, composite fit index Comparative Fit Index (CFI),

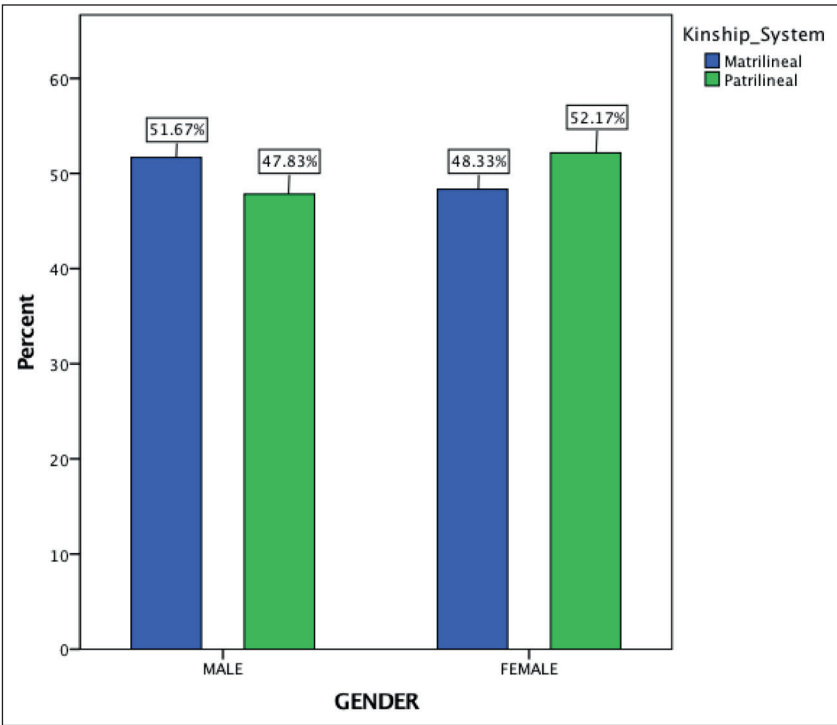


Figure 2. Kinship System vs Gender.

Table 3. The Reliability Coefficients of Subscale of EI.

Dimension	Cronbach's Alpha
Over all	0.92
Entrepreneurial intention	0.89
Personal attitude	0.89
Subjective norms	0.80
Perceived behavioural control	0.70

Source: Primary data.

Tucker–Lewis index (TLI) and standardised root mean square residual (SRMSR). The fit of a model is evaluated to determine the extent to which it is consistent with the empirical data under consideration.

Table 4 shows that the likelihood ratio computed as Chi-square or CMIN/df is 280.343, suggesting poor fit of the model to the data. However, the RMSEA, CFI, TLI and SRMSR indices satisfy the acceptable threshold level. This indicates that the construct model has sufficient sample size and demonstrates that the model has a good fit to prove the validity of the model.

Figure 4 depicts the influence of personal attitude (path coefficient = 0.99), subjective norms (path coefficient = 0.19) and perceived behavioural control

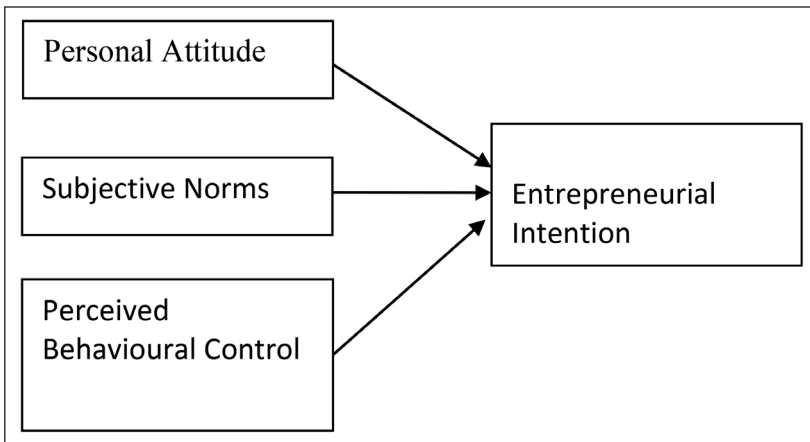


Figure 3. Hypothesised Model.

Table 4. Fit Statistics.

Fit Index	Estimated Value
Chi-square/degrees of freedom (CMIN/df)	280.343
RMSEA	0.000
Comparative fit index (CFI)	1.000
Tucker–Lewis index (TLI)	1.000
SRMSR	0.000

Source: Primary data.

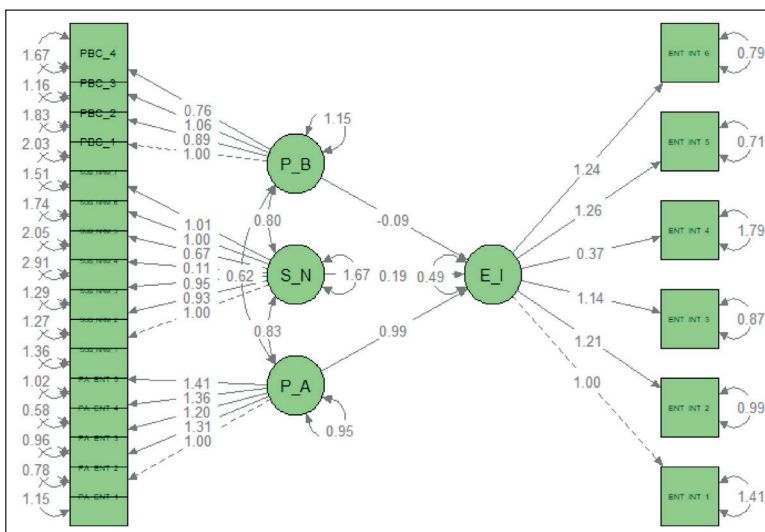


Figure 4. Path Analysis of Model.

(path coefficient = -0.09) on EI. It explains that the covariance between personal attitude and subjective norms is 0.83, the covariance between personal attitude and perceived behavioural control is 0.62, and the covariance between subjective norms and perceived behavioural control is 0.80. The residual variances of EI are 0.49, personal attitude is 0.95, subjective norms is 1.67 and perceived behavioural control is 1.15.

Testing of the Hypotheses

H_1 : There is no effect of personal attitude, subjective norms and perceived behavioural control on EI.

Table 5 shows the regression analysis of the model and Table 6 shows the coefficients (slopes) for the regression of personal attitude (0.0.698), subjective norms (0.251) and perceived behavioural control (-0.17) on EI. It has been observed that perceived behavioural control is very small and the p -value is greater than 0.05. So, perceived behavioural control is not found to have a significant effect on EI. Therefore, it is evident that personal attitude and subjective norms are the two antecedents of the willingness to start a business. This finding is consistent with many previous studies which have revealed that having favourable subjective norms and personal attitude towards starting a business increases EI (Bergmann, 2002; Veciana et al., 2005).

Hence, our refined path model is as given in Figure 5.

H_2 : There is no significant effect of the kinship system on subjective norms.

Table 7 shows that the p -value is less than 0.05, which means we fail to accept the null hypothesis, and so the effect of the kinship system on subjective norms is

Table 5. Regression Analysis of the Model.

	Estimate	Std. Error	t Value	P
Intercept	0.01413	0.14593	0.097	0.923
Personal attitude	0.69759	0.02883	24.199	< 0.01
Subjective norm	0.25103	0.03174	7.909	< 0.01
Perceived behavioural control	-0.01719	0.02879	-0.597	0.551

Source: Primary data.

Table 6. Residuals Statistics.

Min	IQ	Median	3Q	Max
-4.2803	-0.4994	0.0837	0.5382	3.9986
Residual standard error: 0.8958 on 925 degrees of freedom				
Multiple R-squared: 0.5956		Adjusted R-squared: 0.5943		
F-statistic: 454.1 on 3 and 925 DF		P value: < 2.2e-16		

Source: Primary data.

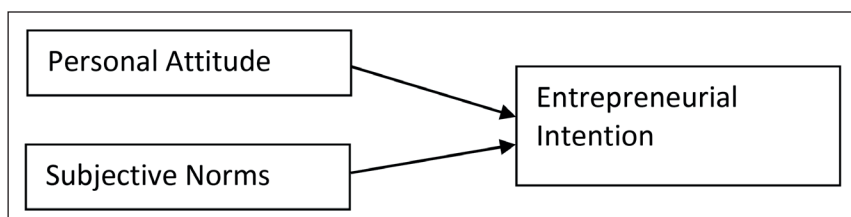


Figure 5. Refined Path Model.

Table 7. One-way ANOVA Between Kinship System and Subjective Norms.

	Sum of Square	df	Mean Square	F Value	P
Kinship system	15.7	1	15.651	11.74	0.000639
Residuals	1,235.9	927	1.333		

Source Primary data.

statistically significant. The mean and standard deviation of the subjective norms for matrilineal forms of society is 4.274 ± 1.165 , while the mean and standard deviation of subjective norms for patrilineal forms of society is 4.011 ± 1.140 . It can, hence, be inferred that students belonging to matrilineal society have higher subjective norms when compared with students belonging to patrilineal society. In other words, students belonging to a matrilineal society are more concerned with what their family members and other kith and kin feel about their career choice.

Conclusion and Recommendation

The decision to embark on a career in entrepreneurship can be perceived as a conscious and intentional decision. However, it is justifiable to scrutinise the decision-making process that culminates in such a conclusion. This study aims to empirically examine the EI of youth in Meghalaya and explore the potential factors that can predict their intention to pursue an entrepreneurial career.

The findings indicate that not all of the factors examined exhibit a direct influence on the EI of young individuals. This study reveals that the sole factors that exert a significant influence on EI are personal attitude towards the behaviour and subjective norms. In contrast, it can be observed that perceived behavioural control does not exert any influence on EI. Additionally, the kinship system exerts influence on subjective norms, thereby contributing to the development of EI.

As a result, policymakers and academics could potentially enhance their ability to develop strategies for establishing a favourable entrepreneurial environment within college and university campuses, as well as in society as a whole. This would contribute to the facilitation and encouragement of both emerging and aspiring entrepreneurs.

Limitations of the Study

First and foremost, this study is based on cross-sectional data, as is the case with the majority of studies in the entrepreneurial literature. Therefore, caution should be exercised when applying the findings to other contexts and when comparing them to the findings of related longitudinal research.

This study may also be impacted by self-reporting bias. The subjective norms, in particular, may be skewed because respondents may not know what their significant others think about their attitude towards entrepreneurship or how well they think they can be an entrepreneur.

Suggestions for Future Research

This study examined only a subset of the factors discussed in the literature as being associated with EIs, including the kinship system. Future research may employ other factors such as comprehensive socio-economic and demographic profiles of the respondents within the context of other relevant models such as Shapero's entrepreneurial event and Bandura's social cognitive theory.

The future course of research may also include the examination of significant factors identified in this study in other socio-cultural contexts in other parts of India, specifically in North-East India, which is so diverse and complex in its social constructs.

Acknowledgement

The authors wish to acknowledge that the present submission is related to the paper titled 'Explaining Entrepreneurial Intention by Means of the Theory of Planned Behaviour in a Matrilineal Society', published in the *Journal of Positive School Psychology*, 6(8), 2079–2092 (2022). The present submission is a sister paper to that paper. The authors also state that there are no issues with the usage of published paper content in the present submission to the *Review of Professional Management*.

Declaration of Conflicting Interests

The authors declared no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

Funding

The authors received no financial support for the research, authorship and/or publication of this article.

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Perception of Employees on High-Performance Human Resource Practices (HPHRP) in Indian Banks: A Comparison

Review of Professional Management:
A Journal of Management
21(2) 178–190, 2023
© The Author(s) 2023
DOI: 10.1177/09728686231206976
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Abstract

The aim of this article is to study the difference between public and private sector banks in terms of high-performance human resource practices (HPHRP). This empirical research paper is based on a detailed analysis of the literature research, which has been conducted on 500 managerial staff of public and private sector banks in Rajasthan through a structured questionnaire. Results reveal that there is a significant difference in the HPHRP of public and private sector banks in Rajasthan with reference to practices like internal mobility, selective staffing, result-oriented appraisal, employment security and incentive rewards. The practices, namely, extensive training, clear job description, and participation and teamwork, were found to be less significant in the study.

The HPHRP scale and the differences in high-performance work systems (HPWSs) between public and private sector banks were investigated in the Indian context from a theoretical standpoint. For bank professionals, this study will help in improving their HPWSs.

The study is unique as it seeks to identify the role of HPHRP in both public and private sector banks in India and concentrates on a bundle of human resource practices that will significantly improve the industry's performance outcomes.

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Keywords

Indian banks, strategic HRM, high-performance human resource practices, public and private sector banks

Received 16 September 2022; accepted 17 September 2023

Introduction

Strategic human resource management (SHRM) research emphasizes the involvement of human resource (HR) practices that improve the performance of organizations and lead to competitive advantage (Collins and Clark, 2003). To have competitive advantage, the human resource management (HRM) shall be strategic companion with stimulus in organisational strategy and HR strategic decision-making (Barney & Wright, 1997). Globalisation of business and the resulting increase in competitive pressures have resulted in HR professionals playing a more strategic role in aligning HR practices with business strategy (Raub et al., 2006). Experts emphasize the strategic role of HR in strengthening the organizational value of the human resource management system and its input toward attaining organizational strategic goals (Pfeffer, 1994; Ulrich, 1997). Notwithstanding the importance placed on HR professionals as strategic allies, current reviews suggest that there has been little effort to assess the strategic contribution of the HR role (Cabrera & Cabrera, 2003). This is a significant research gap, particularly as studies show that firms remain primarily concerned with efficiency of HRs (Becker & Gerhart, 1996).

SHRM has done a lot of research that demonstrates that implementing high-performance human resource practices (HPPHRP) improves organisational performance (Becker & Gerhart, 1996; Huselid, 1995). However, the link between an HR professional's strategic position and the successful implementation of HPPHRP has yet to be discovered (Chang & Chi, 2007). While earlier research suggests that HR professionals' strategic participation in HRM policy implementation is crucial (Hailey et al., 2005), limited studies have examined, or recognised, the link between the literature on HPPHRP and HR professionals' strategic role. However, no comparative studies with respect to HPPHRP have been found.

'High-performance human resource practices have been defined as systems of HR practices planned to upsurge organizational efficiency through creating conditions that help employees become decidedly involved in the organization and work firm to attain its goals'—Whitener (2001). Training, performance appraisal, information exchange and involvement and participation are all examples of HPPHRP (Jiang et al., 2015; Messersmith et al., 2011; Rabl et al., 2014). Many research studies have been conducted over the last decade to examine the relationship between HPPHRP and other employee outcomes including work satisfaction, organisational commitment and citizenship activities (for example, Alfes et al., 2013; Boon et al., 2011; Messersmith et al., 2011; Mostafa & Gould-Williams, 2014). On the basis of the accrued research endorsement, there can now be minor disagreement that HPPHRP are related to required employee outcomes.

Employees are a significant source of competitive advantage that is difficult to emulate in high-performance work systems (HPWSs), and workers are capable of

continual improvement and will perform at higher levels if they are driven to do so (Pfeffer, 1998). In order to gain success and to achieve competitive advantage, it is very crucial for any organisation to manage its HRs and this principle applies equally and perhaps more aptly to service institutions like banks. With the influx of new participants into the banking industry, each armed with innovative products, the system as a whole and older banks in particular, began to experience a widening gap in HR skill sets. On the strength of a market-related remuneration structure combined with technology-supported delivery methods, the new private sector banks and foreign banks were able to acquire younger and more skilled people with newer skills and competencies, giving them an advantage over their public sector bank (PSB) contemporaries.

Thus, this study makes an attempt to study HPHR practices on the banking sector in the Indian context specifically in Rajasthan considering both public and private sector banks.

Literature Review

Difference Between Public and Private Sector Banks Regarding HPHRP

Numerous studies have earlier revealed significant differences between public and private sector banks in terms of HPWS. Nawaz (2020) discovered a link between several HRM practices and employee engagement, which includes performance appraisal, rewards and recognition, career promotion and recruitment in private banks, in Chennai. Gulzar (2018) analysed HR practices in Indian PSBs in Jammu and Kashmir and their impact on organisational performance. HRM methods of public and private sector banks in Telangana state were compared by Ramakrishna and Rao (2017). They found that HRM procedures in Indian private sector banks are superior to those in Indian PSBs. Employee engagement was discovered as intervening variable by Muduli et al. (2016) in HPHRP and organisational performance link in the banking sector. Chahal et al. (2016) deliberate the influence of perceived high-performance HRM practices on employee business performance in India's telecoms sector in Jammu and Kashmir. The study looked at thorough training, performance management and other HRM methods. Dutt (2016) investigated if sales training programmes improve the expansion of India's private sector banks. A systematic questionnaire was used to collect data from 137 private sector bank salespeople in Dehradun, India. Training programmes were found to have a considerable impact on organisational performance. The role of employee engagement and rewards to employees was investigated by Ghosh et al. (2016) among private bank employees in India on 176 respondents from banks in India. Employee recognition and reward were found to be a substantial predictor of employee engagement, which leads to improved bank performance. In the Indian banking sector, Jain and Jain (2015) showed evidence of training effectiveness. The authors assessed the efficiency of training at India's public, private and foreign banks. The findings suggest that significant levels of training participation were discovered in the banks chosen for the study. Lakkoju (2014) investigated the nature and scope of HRM practices in the Indian commercial banking industry. The goal of the study was to find out how management and non-managerial staff at

the banks viewed HRM practices. The study demonstrated significant differences in the perception of management and non-managerial employees. Jeet and Sayeeduzzafar (2014) investigated the impact of HR practices, such as training, performance appraisal, compensation, employee participation and teamwork on job satisfaction in HDFC Bank Limited and found that all HR practices, except employee participation, have a significant impact on job satisfaction. In Indian banks, Khera (2010) discovered a substantial relationship between employee productivity and HR procedures, such as selection, employee perks, salary, training and staffing.

In their study, Quresh et al. (2010) found that all investigated variables had a positive relationship and impact on bank financial performance, but that selection, training, compensation and employee participation are the most important contributory practices. Employees at private banks were more satisfied with pay, recognition and working hours than employees of PSBs (Khalid & Irshad, 2010). Employees in the public sector, on the other hand, were happier with job security than bank employees in the private sector. In Tiruchirappalli District, South India, Karthikeyan et al. (2010) analysed the existing practices of many components of training programmes and their effectiveness in selected public and private sector banks. The primary goal of this research is to assess an employee's present efficacy in carrying out their activities and responsibilities in accordance with business policies and procedures. Job satisfaction in India's public and private banks was studied by Shrivastava and Purang (2009). The study enlisted the participation of 340 bank employees. According to the study, bank employees in the private sector had superior job satisfaction in terms of compensation, social possibilities and opportunities for advancement. Employees of PSBs, on the other hand, reported higher job satisfaction and job security than employees of private sector banks. Bajpai and Srivastava (2004) used a structured questionnaire to investigate the level of job satisfaction among 280 bank employees in India's public and private sector banks. According to the research, private-sector bank employees had higher job satisfaction than public-sector employees in terms of compensation, social and development elements of employment.

Thus, based on past studies, the following hypothesis is formulated:

H_1 : There is a significant difference between public and private banks with reference to HPHRP.

Objectives of the Study

1. To study the HPHRP of public and private sector banks.
2. To find out the difference between the public sector and private sector banks concerning HPHRP to benchmark.

Research Methodology

Data was drawn from a sample of 500 respondents (managers) from four public and four private sector banks in Rajasthan, India, which includes managerial staff. The multi-stage sampling method is used in this study.

Measure

To measure HPWS, this study has used the adapted version of HPHRP scale as suggested by Sun et al. (2007). It consists of 29 questions, which solicited information regarding HPHRP and questions were measured on a Likert scale ranging from (5) strongly agree, (4) agree, (3) can't say, (2) disagree and (1) strongly disagree. Several responses were used after reversing the value of the question so that higher values indicate higher perceived effectiveness.

Reliability

HPHRP was measured using 29 items scale developed by Sun et al. (2007). The scale had the following 10 dimensions: (1) selective staffing, (2) extensive training, (3) internal mobility, (4) employment security, (5) clear job description, (6) results-oriented appraisal, (7) incentive reward, (8) participation, (9) team work and (10) flexibility. The Cronbach's alpha for the 29 items scale was 0.803.

Demographic Variables Frequencies

The frequencies of occurrence of certain variables are determined, from which the percentage and cumulative percentage are calculated. The frequency of demographic variables is as follows:

Gender

Respondents were asked to mention their gender. The majority of the respondents were male ($n = 425$), representing 85% of the sample, while females ($n = 75$) represented 15%.

Education

Respondents were asked to mention their education qualification. Education qualification is divided into the following three categories, that is, graduation,

Table 1. Bank Type.

Bank Type		Frequency	Percentage	Valid %	Cumulative %
Public sector bank	SBI	80	16	16	16
	PNB	80	16	16	32
	UCO	60	12	12	44
	BOB	80	16	16	60
Private sector banks	HDFC	60	12	12	72
	ICICI	70	14	14	86
	Axis	40	8	8	94
	IndusInd	30	6	6	100
		500	100	100	

postgraduation and others. Majority of the respondents were postgraduate ($n = 295$) representing 59%, graduate ($n = 160$) representing 32% and others ($n = 45$) representing 9%.

Bank Type

Four PSBs and four private sector banks, as shown in Table 1, were selected for data collection. All the selected banks participated in the survey, but the response rate was different for each bank. The overall response rate was 83.33%, which is considered a very good response rate.

Results and Discussion

Factor Analysis

Factor analysis was performed for the 29-item scale of HPHRP. One variable (F1) having a low correlation was dropped; therefore, it was eliminated. Again, factor analysis was applied. Further results of the correlation matrix found all the statements to be correlated with each other. The result of the Kaiser–Meyer–Olkin (KMO) measure of sampling adequacy of statements under study is 0.808, showing that statements can be subjected to factorability. The significance level of Bartlett's test of sphericity is 0.000, which reveals that the variables are significantly correlated and fit for factor analysis.

On the basis of principal component analysis, eight factors were extracted. All the statements with factor loadings greater than 0.5 were considered significant.

The 28 items clubbed in 8 sets of factors depicting different dimensions of HPHRP had very strong rotated factor loadings. The eigenvalue of participation and teamwork was 2.9; for internal mobility, it was 2.9; for extensive training, it was 2.8; for selective staffing, it was 2.5; for result-oriented appraisal, it was 1.8; for employment security, it was 1.5; for incentive rewards, it was 1.5; and for a clear job description, it was 2.3. All eight factors accounted for 66.76 variances.

*Independent Samples *t*-Test*

An independent sample *t*-test of the variables of HPHRP is studied to ascertain whether the means of the two groups (public and private sector banks) are statistically different from each other.

Table 2 divulges that in six out of eight HPHRP the mean score of the private sector is greater than that of PSBs. These factors are participation and teamwork (private = 4.01, public = 3.95), extensive training (private = 3.95, public = 3.94), selective staffing (private = 4.19, public = 3.94), result-oriented appraisal (private = 4.05, public = 3.88), employment security (private = 3.99, public = 3.79) and incentive rewards (private = 3.49, public = 3.01).

When applying a *t*-test to the differences between the mean scores of two groups, as shown in Table 3, it is noted that in five out of eight HPHRP, the differences were statistically significant at the 95% level. The level of significance,

Table 2. *t*-Test on HPHRP.

HPHR Practices	Bank Type	N	Mean	Std. Deviation	Std. Error Mean	t-Value	p-Value
Participation and team work	Private	200	4.0108	0.43541	0.03079	0.968	.333
	Public	300	3.9589	0.67026	0.03870		
Internal mobility	Private	200	3.6790	0.74696	0.05282	-2.18*	.029
	Public	300	3.8180	0.66025	0.03812		
Extensive training	Private	200	3.9538	0.67951	0.04805	0.213	.832
	Public	300	3.9408	0.65592	0.03787		
Selective staffing	Private	200	4.1938	0.56735	0.04012	4.02*	.000
	Public	300	3.9417	0.75426	0.04355		
Clear job description	Private	200	3.9748	0.72277	0.05111	-1.79	.073
	Public	300	4.0821	0.60348	0.03484		
Result-oriented appraisal	Private	200	4.0500	0.58456	0.04133	2.4*	.014
	Public	300	3.8800	0.84438	0.04875		
Employment security	Private	200	3.9950	0.63600	0.04497	3.02*	.003
	Public	300	3.7983	0.75856	0.04380		
Incentive rewards	Private	200	3.4900	0.98092	0.06936	5.66*	.000
	Public	300	3.0167	0.88733	0.05123		

Note: * Significant at the 0.05 level.

thus, was 0.05 or lower for five out of the eight HPHRP. A statistically significant difference existed in the following five HPHRP that related to internal mobility ($p = .029$), which indicates that the hypothesis is accepted and the significant difference between private and PSBs is related to internal mobility.

Selective staffing ($p = .000$) indicates that the hypothesis is accepted, suggesting a significant difference between private and PSBs related to selective staffing. Result-oriented appraisal ($p = .014$) results indicate that there exists a significant difference between private and PSBs related to result-oriented appraisal. Thus, the hypothesis is accepted.

Employment security ($p = .03$) results reveal a significant difference between private and PSBs related to employment security. Thus, the hypothesis is accepted. Incentive rewards ($p = .000$) indicate the significant difference between private and PSBs. Thus, the hypothesis is accepted.

The results indicate that public and private sector bank managers have different perceptions about HPHRP. Thereby signifies the significant difference between private and PSBs related to HPHRP. Thus, the hypothesis is accepted. It is worth noting that in 18 out of 28 HPHRP items, the mean for private sector banks is higher than PSBs. When applying a *t*-test on the differences between the mean scores of the two groups, it is noted that in 13 out of 28 items, the differences were statistically significant at the 95% level. The level of significance, thus, was 0.05 or lower for 13 out of the 28 items. Thus, the hypothesis is accepted, which means that there exists a significant difference between private and public sector banks with reference to HPHRP like internal mobility, selective staffing, result-oriented appraisal, employment security and incentive rewards.

Table 3. *t*-Test on HPHRP (Itemwise).

	Bank Type	N	Mean	t-Value	p-Value
SS1	1.00	200	4.0500	1.932	.054
	2.00	300	3.8667		
SS2	1.00	200	4.2950	4.032	.000
	2.00	300	3.9867		
SS3	1.00	200	4.1500	1.647	.100
	2.00	300	4.0267		
SS4	1.00	200	4.2800	4.996	.000
	2.00	300	3.8867		
ET1	1.00	200	3.9750	0.649	.517
	2.00	300	3.9267		
ET2	1.00	200	3.9750	1.349	.178
	2.00	300	3.8767		
ET3	1.00	200	3.8100	-1.199	.231
	2.00	300	3.9067		
ET4	1.00	200	4.0550	0.026	.979
	2.00	300	4.0533		
IM1	1.00	200	3.7250	-0.375	.708
	2.00	300	3.7567		
IM2	1.00	200	3.6800	-0.191	.848
	2.00	300	3.6967		
IM3	1.00	200	3.6000	-2.997	.003
	2.00	300	3.8733		
IM4	1.00	200	3.6950	-1.644	.101
	2.00	300	3.8167		
IM5	1.00	200	3.6950	-3.086	.002
	2.00	300	3.9467		
ES1	1.00	200	4.0150	2.989	.003
	2.00	300	3.7900		
ES2	1.00	200	3.9750	2.123	.034
	2.00	300	3.8067		
CJD1	1.00	200	3.8350	-5.141	.000
	2.00	300	4.1933		
CJD 2	1.00	200	3.9800	-0.786	.432
	2.00	300	4.0367		
CJD 3	1.00	200	4.1100	1.367	.172
	2.00	300	4.0167		
ROA1	1.00	200	4.2300	3.853	.000
	2.00	300	3.9500		
ROA2	1.00	200	3.8700	0.756	.450
	2.00	300	3.8100		
IR1	1.00	200	3.6750	5.965	.000
	2.00	300	3.0367		
IR2	1.00	200	3.3050	3.276	.001
	2.00	300	2.9967		
PI	1.00	200	3.7100	-2.884	.004
	2.00	300	3.9400		

(Table 3 continued)

(Table 3 continued)

	Bank Type	N	Mean	t-Value	p-Value
P2	1.00	200	3.755	-0.714	.476
	2.00	300	3.817		
P3	1.00	200	3.9850	0.565	.572
	2.00	300	3.9433		
P4	1.00	200	4.2600	2.804	.005
	2.00	300	4.0733		
TWI	1.00	200	4.1750	0.772	.440
	2.00	300	4.1267		
F2	1.00	200	4.1800	4.633	.000
	2.00	300	3.8533		

Public-sector banks are performing better than private-sector banks with respect to 'internal mobility'. Public-sector banks place an emphasis on internal transfers, which leads to internal mobility. When public-sector employees perceive that their organisations want them to develop within the organisation through internal mobility and that their future is also secure, internal mobility increases. Therefore, internal mobility is found to be greater in public-sector banks than in private-sector banks.

Promotion policy is well-defined in public-sector banks and is based on seniority, whereas in private sector banks, employees do not feel secure in the organisation, and the promotion policy is also not clear.

Private sector banks are performing better than PSBs regarding selective staffing, as employee potential, past experience, training, etc., are given paramount importance during the selection process. On the other hand, the selection process is based on a written examination and is very standardised. These findings are consistent with a previous study conducted by Khera (2010). In Indian banks, the study discovered a substantial relationship between employee productivity and HR procedures, such as selection, employee benefits, training, compensation and staffing practices.

The result of the study found that there is no significant difference between private and public sector banks with reference to HPHRP factors like extensive training, clear job description, and participation and teamwork. The possible explanation for extensive training would be that now the major emphasis of Indian banks is to use their training systems and establishment to the fullest extent possible. Nowadays, banks are keen on encouraging their staff to take new courses. Employee training has become increasingly important as banking jobs have become more complex. Employee training is not only a desirable activity in a fast-changing society, but it is also an activity to which an organisation must devote resources if it wants to maintain a viable and knowledgeable workforce (Karthikeyan et al., 2010).

Gyawali (2017) looked into how employee participation affects job happiness, employee perceptions of fairness and organisational commitment. Employee participation has the highest correlation coefficient of the three factors, indicating that it has the greatest impact on organisational commitment. In order to gain

success, organisations have realised the significance of team building approach. Managers encourage teamwork to improve cohesiveness, skills and knowledge, which leads to satisfaction and better results (Hanaysha, 2016).

Conclusion

In terms of HPWS, the study found a significant difference between public and private sector banks with reference to practices like internal mobility, selective staffing, result-oriented appraisal, employment security and incentive rewards. The result of the study found that there is no significant difference between private and public sector banks with reference to HPHRP, like extensive training, clear job description and participation and team work. This situation needs attention, especially in PSBs. Due to shifting client demands and rapid technological innovation, PSBs will need to rethink their present HR practices. To have a better understanding of how public and private sector banks operate, examining the business scenario in which they operate is very essential. It will aid in determining the reason for the difference between public and private sector banks.

The findings of this study cannot be extended to all types of service organisations, as only banking sector was included in the sample. There is, however, scope to consider HPHR practices in other service settings. Without a doubt, examining samples from diverse settings can help us better understand the dynamics of HPHR practices. The present study mainly emphasised on quantitative data, although qualitative data were also collected but they were used to check the validity of the questionnaire. Understanding of the HPHR practices would be greatly enhanced if supplemented by qualitative data. Therefore, it opens the door for further studies to collect qualitative data to have better insight about HPHR practices.

Declaration of Conflicting Interests

The authors declared no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

Funding

The authors received no financial support for the research, authorship and/or publication of this article.

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Occupational Stress Management Intervention: An Informative Perception

Review of Professional Management:
A Journal of Management
21(2) 191–204, 2023
© The Author(s) 2023
DOI: 10.1177/09728686231208351
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Abstract

This article provides an overview of stress management interventions (SMIs) and the evidence that they improve employee well-being. The objective of this study is to identify the individual-level stress (personal) and stress at an organisational level (workplace) and to suggest certain intervention techniques at primary and secondary levels to reduce it. To begin, we create a classification system for SMI, as it is taught in accordance with degree (i.e., the personal stage or the organisational stage) and recognition (i.e., a 'number one' focus on changing the causes of stress or a 'secondary' or 'tertiary' attention on lowering stress itself). Relaxation methods, cognitive behavioural treatment (CBT) and mindfulness training are all examples of secondary character-stage SMI (such as implementing new organisational policies and procedures) and are subcategories of SMI based on how widely they have been proven to work (e.g., process redesign, adjustments to running time schedules). There is a lot of data to support these two SMI techniques, but the study concludes by strengthening the evidence base for SMI treatments requiring a good methodological design, as well as improved knowledge on the context and people in which SMIs are most successful, how SMIs are administered and long-term effects of SMIs. Therapy for mental health issues, stress management and CBT study was carried out from June to August 2022.

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Keywords

Stress management intervention, relaxation method, cognitive behavioural treatment. mindfulness training and cognitive behavioural therapy

Received 15 September 2022; accepted 31 July 2023

Introduction

From boosting productivity to lowering absenteeism, companies may benefit from increasing employee health and reducing stress in many ways (De Neve et al., 2013). Employee well-being may be improved and stress reduced by using a variety of activities that can be used by companies to either treat stress's root causes or decrease its impact on an individual's personality. This chapter examines the efficacy of various stress management strategies for bettering one's mental health. There are three key elements to this essay. Stress management interventions (SMIs) come in a variety of forms, and we will demonstrate how they may be used in real-world situations. We will speak about the evidence for the efficacy of SMI after we first quickly discuss the methodological problems that are used when evaluating therapies in order to provide the reader some reasons for knowing about the best evidence in this field. A summary of what we have found works best to complete our conversation is provided below.

According to this wide definition, we include studies on such topics as burnout, stress and depression as well as more recent efforts to measure the current state of well-being in people's subjective perceptions of well-being. Studies on physical fitness or interest attitudes or on the effects of well-being at the organisational level, such as illness and absenteeism, are not included in our analysis. Be aware that bettering one's psychological well-being may also improve one's physical health, sense of accomplishment in the workplace and frequency of absences. While briefly discussing the methodological issues that are used when assessing treatments in order to offer the reader with some grounds for understanding the best evidence in this subject, a summary of what we have found works best to complete our conversation is provided below.

Stress Management Interventions: Categorisation and Description

It is a typical practice in stress management literature to classify stress management tactics based on the attention they get and the extent to which they are used (DeFrank & Cooper, 1987). Depending on how much focus is placed on stress control, basic, secondary and tertiary treatments may be categorised. Prevention of stress is the goal of primary interventions, which aim to remove and enhance factors that contribute to it. As quickly as possible, secondary interventions are used to lessen the intensity or duration of stress, as well as to avoid the amount of stress from becoming overwhelming. Third-level interventions are aimed at improving and enhancing the lives of those who are already suffering from or afflicted by mental illness.

Individual and organisational levels of intervention are relatively uncommon and simple to distinguish. When it comes to stress management, both individual and organisational treatments concentrate on helping employees learn how to better cope with the pressures of their jobs and how to better manage, deal with and decrease stress. There is a third type that is used in certain classifications: individual–organisational stage interventions. This kind of intervention is characterised by its emphasis on improving the interaction between individuals and organisations, such as peer support groups. For simplicity's sake, we will stick to identifying treatments at the personal and organisational levels as the line between them has not been blurred much recently. SMIs may be categorised into primary, secondary and tertiary levels based on their recognition and degree of implementation. Throughout the remainder of this section, we will discuss the various SMIs and their usefulness.

Individual-level Interventions

The main goal of intervention is to alleviate any existing stress that an employee may be experiencing. Selection and assessment techniques that pick candidates with abilities to control the process's requirements and filter out those who are more likely than not to experience stress in the desired job, particularly in very upsetting professions, are one way to achieve this goal (Bartone et al., 2008). However, despite the fact that such treatments might help manage stress and promote well-being, they are not always implemented (Giga et al., 2003).

Interventions at the secondary level aim to provide workers with stress management skills and competences; additionally, there are opportunities for stress-reducing hobbies. Meditation, cognitive behavioural therapy (CBT) and mindfulness training are just a few of the strategies that may be used in conjunction with relaxation and exercise programmes to improve mental health. The goal is to decrease or eliminate the sources of stress and to lower the level of stress that individuals feel; these tactics concentrate on emotion legislation procedures and reaction-focused emotion control strategies. The use of rest, CBT) and mindful sports activities are all examples of multimodal treatment at the individual level. With a wide range of skills that can be used in extraordinary situations, such an approach has the potential to develop and enhance both antecedent- and response-focused emotional control strategies, which will benefit both individuals and the company. Individual effectiveness of SMIs in general has been supported by a substantial body of literature on secondary person treatments, for example.

Stress (i.e., heightened horrible states of well-being including worry, anxiety and wrath) and relaxation are thought to be mutually exclusive (Russell, 1979). Relaxation and stress cannot exist at the same time; therefore, boosting rest requires lowering stress levels as well. Stress-relieving techniques exist in a variety of shapes and sizes, but they may all be grouped under the umbrella term 'response-based emotion law therapies'. To achieve progressive muscular relaxation, a certain set of muscles is tense and then relaxed in a predetermined order during the length of the video. In order to get your forearm muscles to relax,

begin by clenching and unclenching your hands one after the other, and so on. Workers may rapidly achieve a deep level of muscular relaxation by engaging in physical activity, which can last anywhere from minutes to hours (Murphy, 2003).

Another relaxing method is meditation; however, this one focuses more on the mind than on the body. To maintain a passive intellectual condition free of intruding thoughts, several techniques call for the practitioner to sit quietly and repeat a phrase or sound. There are secular and standardised procedures that may be used for research despite the fact that meditation has its origins in a non-secular practice (Carrington et al., 1980). The inhalation and exhalation of the breath may be used in conjunction with relaxation methods such as muscle relaxation and meditation, but breathing techniques alone can also be used.

Patients who get CBT for mental health issues such as anxiety and depression as a result of stress may benefit from the use of techniques that target maladaptive thinking patterns. This is addressed through CBT, which aids the individual in uncovering and refuting erroneous beliefs they may have regarding stress and how it manifests in their lives. CBT's behavioural specificity encourages the user to practice new habits in addition to promoting new behavioural responses in stressful circumstances. Precedent-centred emotion approaches are used to assist individuals to reassess and rebuild their knowledge of their stress and worrying behaviours in accordance with CBT (Hofmann & Asmundson, 2008). Csiernik (2011) conducted an intervention with teachers that included three phases: an approach to dealing with stress and its causes; ability to detect and replace illogical thinking with sensible ones; and development and practice of new cognitive, emotional, and behavioural capacities. Compared to a passive listening group and a peer guide organisation, the CBT intervention was shown to be more effective in reducing stress. Henrich et al.'s (2023) study explains the effectiveness of training in CBT appraisal to address present gaps in the prose by focusing on the explanation of the exact training mechanism and their related costs, as well as exploratory therapist-level predictors of training effectiveness.

The practice of cultivating one's awareness of the present moment is becoming more popular awareness (i.e., it is the goal of the SMI that I am referring to [non-judgmental, compassionate, accepting, non-reactive]) along with brand-new, more flexible responses to dreadful ideas and emotions (Kuyken et al., 2010). Individuals who practice mindfulness are encouraged to separate their negative thoughts and feelings from their unhelpful behaviour and emotional reactions in order to improve their mental health. To put it another way, a mindfulness approach might be thought of as a tool for honing focus on certain emotional reactions. Bredero et al.'s (2023) study meant to inspect the effectiveness of mindfulness-based cognitive therapy (MBCT) for tumbling weariness in patients with IBD in reduction of stress. Mindfulness is a response-targeted emotion regulation method, but it has foremost dissimilarity from other response-targeted strategies, such as relaxation and meditation. Developing new and more adaptable responses is a primary goal of mindfulness training, rather than suppressing unpleasant thoughts and studies (which might have detrimental consequences for the well-being) (Richards & Gross, 1999).

Acknowledgement-based psychotherapy (ABT) and MBCT are two forms of mindful psychotherapy (Segal et al., 2002). The latter approach in particular is commonly used in groups, which incorporates a wide range of techniques including frame scanning and yoga and meditation exercises. The first step of MBCT is to focus on creating a state of awareness. More and more focus is placed on understanding how negative thoughts lead to maladaptive actions, in future training levels, encouraging the person to adopt more adaptive answers while also helping the person accept his or her emotions. Despite the rising popularity and universal acceptance of mindfulness training, there has been little empirical study conducted in business settings. However, to make an exception, Hülshager et al. (2013) were able to undertake a week-long self-directed mindfulness intervention with employees from many different professions using MBCT protocols. Participants' daily diaries, used to compile the study's findings, revealed that those in the mindfulness approach group had more daily mindfulness and less daily emotional fatigue than those in the control group.

There have also been advancements in supplementary individual therapies. Stress management programmes and fitness merchandising jobs are two prominent projects that educate workers about the effects of stress and how it may be alleviated, as well as the need of maintaining a healthy lifestyle (such as increasing physical activity and eating a more balanced diet; Anger et al., 2015). It is the purpose of any stress-relieving training to help personnel avoid high-stress circumstances like excessive workloads. As a final point, therapies at the tertiary-person level concentrate on persons who are suffering from excessive or chronic stress, which may be impairing their ability to perform. In order to help those who are struggling with stress or mental health difficulties, irrespective of the nature of their work or occupation, counselling and assistance is offered (Csiernik, 2011).

Organisational-level Interventions

To alleviate stress in the workplace, primary organisational-level treatments are designed to alter organisational practices and regulations, including those relating to leadership and running time (Anger et al., 2015). Worker well-being is a major focus of job redesign interventions. Research studies of activity layout that reveal that process parameters (e.g., workload, ergonomic design) is one of the most significant factors in determining employee stress and well-being according to the study literature (Demerouti et al., 2001). The breadth of work redesign interventions varies, with some focusing on only one activity function, such as job discretion, while others aim to change a few job features in the hope that this would lead to bigger changes in well-being (Bond & Bunce, 2001).

The goal of secondary organisational-level treatments is to help workers deal better with difficult studies by making organisation-wide changes. The construction of peer support groups and the development of communication skills, as well as training aimed at improving all workers' capacity to cope with difficult circumstances via, for example, advanced conflict management, are some examples of such interventions (Ghazavi et al., 2010). Social aid treatments that may reduce stress

(such as the loss of social support) as well as boost the capacity of workers to deal with stressful situations are not always clearly differentiated in this exercise between primary and secondary organisational actions.

Complex and inflexible interventions at the organisational level may be difficult to implement. These kinds of organisational-level interventions, particularly those that are aimed at boosting the performance of the organisation, rely heavily on effective execution. To be precise, there are four critical elements to a successful organisational-level intervention: pre-planning, screening and implementation (figuring out the psychosocial risks), movement planning (creating trade jobs) and implementation (embedding alternate jobs in the organisation). Additionally, in organisational initiatives, worker participation is essential. Only managers and consultants were engaged in the design and implementation of job reshaping modifications during a process redesign intervention by Morgeson et al. (2006). Rather than relying only on managers to implement process redesign interventions, employees were actively engaged by suggesting and carrying out their own efforts to decrease workloads, as well as by changing their own working practices. The quality of trade projects can be improved by tapping on workers' own expertise to make them more contextually relevant, and they may boost their commitment to executing change projects since they feel more like they have a stake in the result when employees are participating (LaMontagne et al., 2007). A feeling of duty and engagement that is healthy in and of itself may be gained via involvement. There are certain drawbacks to integrating additional stakeholders in the intervention process, such as increasing complexity, increasing discontent with the intervention system and increasing costs by customizing the intervention system.

Some multimodal SMIs incorporate both individual- and organisational-level therapies. Integrating health and safety programmes at the organisational level with individual-level fitness programmes is known as 'whole worker health interventions' (see Anger et al., 2015, for an assessment). There are advantages to this method, such as lessening factors that cause stress and enhancing workers' capacity to cope with it. It may be especially important for those who are more vulnerable, because they are more inclined to indulge in unhealthy habits (Anger et al., 2015). In terms of a business, other multimodal approaches are also possible. For example, changes to various organisational practices were made in conjunction with job redesign interventions, with the hope that this would enhance the impacts of the job redesign intervention (Daniels et al., 2017). Multimodal techniques have the potential to increase implementation complexity and lower the efficacy of one intervention at the expense of the other.

Evaluating the Effectiveness of Stress Management Interventions

Individual efficacy in stress reduction and well-being promotion must be considered while making the decision to use SMI. Secondary- and primary-level therapies for SMI are examined in this chapter, which include data from previous studies. In order to begin, we must first discuss the difficulties associated with

assessing treatments, because it gives a clearer picture of the types and levels of data that are readily accessible.

RCT designs have historically been regarded as the best way for comparing treatments in the natural science paradigm. The participants in a randomised controlled trial (RCT) are divided into two groups at random and given either an intervention or a sham therapy. Companies are assessed both before and after the intervention for changes in the main outcome. A randomisation assumption is that if an experimental group's transaction differs considerably from that of a control group, the intervention is to blame. Therefore, RCTs are considered to be more conclusive proof of an intervention's causal effects than methods that do not randomise participants to groups, do not involve a manipulative institution and do not evaluate individuals before the intervention.

In addition to character research, multiple research studies may be evaluated quantitatively using meta-analyses. The different studies considered in a meta-analysis provide an overall duration of the effects. False positives are less likely to occur if there is a bigger sample size, and the entire analysis takes into account the flaws of individual studies. Consequently, meta-analytic conclusions may be accepted with more confidence. It is possible that the results of a single study may be unexpected or encouraged by something that was no longer researched. Even though meta-analyses are more likely to provide accurate findings since they combine information from several research, they are not without their limitations. When doing a meta-analysis, the methodological quality of the research that is included (e.g., RCT studies only) has a significant impact on how confident one may be in the conclusions.

In recent years, several researchers have questioned whether RCTs are an acceptable and relevant strategy for conducting evaluations of treatments (Cox et al., 2007). Researchers stated that RCTs cannot be carried out in contexts where randomisation is not practicable or ethical or if a comparable management organisation (comprising people who are similar to those in the experimental institution) cannot be found, specifically. Employees' views of the intervention and individual reports may be influenced by the randomisation process itself (Nabe-Nielsen et al., 2015). The quality of the implementation technique and the organisational environment are not examined in RCTs, which tend to focus on alterations in effects. Opportunity intervention assessment frameworks were created in response to these problems. Both intervention outcomes and implementation techniques should be included in the paradigm proposed by Cox et al. (2007). Managers' support for the intervention, workers' involvement in the intervention and the availability of implementation assets are all examples of implementation method variables. According to Cox et al., taking system factors into account makes it possible to identify the processes responsible for determining the outcomes of interventions. In fact, if procedural factors are not taken into account, it is possible that an intervention may be deemed ineffectual while its execution was really erroneous. In order to determine how each stage of the intervention may impact following stages and eventually the final results of the intervention, as previously described, a longitudinal assessment framework has been presented that evaluates each intervention 'level' individually. Because these

changes may only become visible in unusual situations (such as when people are unable to run), they advocate for various levels of intervention in order to achieve a variety of outcomes (such as changing attitudes, running habits and general well-being).

In light of the significance of intervention techniques and RCTs' limitations in organisational contexts, according to a number of experts, SMIs' effectiveness should be evaluated using rigorous quantitative and qualitative evaluations, as well as research studies that do not follow the 'gold trend'. Unlike character SMI, which tends to use well-established strategies (e.g., CBT), organisational SMIs vary in form and may be customised to the corporate firm, increasing the possibility of repercussions being triggered by manner and context factors. Organisational SMI evaluations benefit greatly from this method. This makes character SMI particularly important. In light of these issues, criticisms of SMI research techniques are more prominent than ever.

Evidence for Primary Organisational-level Interventions

SMIs implemented at the main level of an organisation, according to available meta-analyses, do not help employees relax or cope with stress. Study after study has shown that RCT-based treatments at the primary and secondary organisational levels have minor but significant effects ($d = 0.08$ (Van der Klink et al., 2001); $d = -0.31$, well-being, and mental fitness (Richardson & Rothstein, 2008)).

SMI evaluations conducted at the organisational level, on the other hand, use qualitative methods, for a more sophisticated understanding of how well-designed organisational interventions function, such as quasi-experiments without randomisation (Bhui et al., 2012; Daniels et al., 2017; LaMontagne et al., 2007). Furthermore, other studies have shown that activity redecoration and social guide interventions have positive effects on employee well-being (Ahola et al., 2012). Researchers have shown that activity redesign interventions may promote worker well-being by altering the characteristics of tasks (e.g., process discretion, comments), which in turn affects the well-being of those who do them (Bond et al., 2008). These studies, then, support the theory that process redesign interventions have an impact on employee well-being via altering employees' activity attributes. Other studies have shown that process redesign interventions may have a long-term impact. Following a one-year and three-year follow-up, Kawakami et al. (1997) discovered that the well-being and activity parameters of the intervention group had improved. They all come to the same conclusion: multimodal organisational-stage SMIs may be beneficial (Anger et al., 2015; Daniels et al., 2017). The more complex organisational treatments may be more successful than less-complex interventions that focus on enhancing a single activity, but it is unclear whether or if their unique features have combined or cumulative benefits on well-being (i.e., a simplest task layout).

Organisational interventions have been shown to have positive effects on well-being, but a few studies have found no effect and a few have found negative effects (Ghazavi et al., 2010), and this must be taken into account because of the persistence of heterogeneity in their outcomes (Dahl-Jørgensen & Saksvik, 2005).

It has been suggested that the efficacy of organisational SMI is affected by implementation strategies and contextual variables, which may account for some of this variation. More and more study in organisational SMI is evaluating and documenting the implementation system's characteristics. According to Dahl-Jørgensen and Saksvik (2005), an activity redesign study on two separate sites found that six months after the intervention ended, emotional weariness increased in the experimental organisation on one of the sites. Some employees found the intervention burdensome, and other concurrent adjustments, such as increased workload, may have negatively affected worker stress, according to the qualitative method evaluation, which found that the best implementation technique was low (in part because of excessive work demands and coffee management aid).

A review of intervention implementation literature suggests this model of implementation approaches stated above has generally been supported by empirical evidence (Cox et al., 2007). Increasing the intensity of implementation tactics reduce stress (i.e., more time spent on intervention sports) and providing guidance for personnel (e.g., education in exchange procedure and verbal exchange ability). The quality of implementation methods may be enhanced by attending and helping with manner-related activities at critical levels (e.g., education and support-gathering, psychosocial hazard screening, action planning and implementing; LaMontagne et al., 2007).

SMIs' effectiveness may also be influenced by organisational and participant characteristics, according to the evidence. SMI participation may be hampered if an organisation has a downsizing, has strained ties with management and employees or has unworkable HR rules. As a result, increasing interventions with broader improvements in HR policies may reduce the likelihood of the organisational setting impeding a SMI (Daniels et al., 2017). SMI is influenced by organisational context, but the absence of study prevents clear conclusions from being drawn. According to SMI's theory, an individual understand the nature of change in demographic, social, and cultural factors, few studies have examined this issue in a systematic manner (Egan et al., 2007). Individuals are more open and willing to trade, have greater positive value determinations of the intervention itself and have previous experience of participating in selection-making processes when they are involved in work redesign interventions (Bond & Bunce, 2001). In order for a company-level SMI to succeed, it must have motivated and competent people who are willing to participate in alternative methods. This is due to the fact that these people are more likely to implement or respond favourably to the forms of change that are the basis of these therapies.

Evidence for Secondary Organisational-level Interventions

In recent years, meta-analyses and systematic reviews of secondary individual therapies for stress and well-being have been carried out (see Bhui et al., 2012, for an evaluation of these reviews). The following two meta-analyses are among the most comprehensive: Van der Klink et al. (2001) and Richardson and Rothstein (2008). Everyone on the team has access to CBT and relaxation therapy,

regardless of their position. Unlike the Van der Klink et al. analysis, which includes unpublished papers (accounting for guide bias towards full-size results) and spans an extra decade of research, the Richardson and Rothstein meta-evaluation includes only RCT-based studies because of its tighter inclusion criteria. Character interventions are also covered by Kuoppala et al. (2008). In contrast to the meta-analysis conducted by Conn et al. (2009), which solely examined health marketing treatments, their review focuses on psychological and health promotion interventions including training and biofeedback, such as the promotion of healthy eating habits, in particular workout and bodily interest, which are the primary focus of their study. Businesses that employ workers are specifically targeted in this meta-analysis. While Regehr et al.'s (2014) study focuses on individual-level therapies for doctors, the study by Ruotsalainen et al. (2014) focuses on CBT and relaxation tactics for health-care workers.

For secondary character-level intervention, impact sizes are large in meta-analytic investigations ($d = 0.48$ (Van der Klink et al., 2001); $d = 0.60$ and 0). Richardson and Rothstein (2008) counted 42. Since the impact sizes of multimodal secondary individual-level SMIs and single secondary individual-stage SMIs are so similar, there is no longer an obvious benefit to using both. Richardson and Rothstein (2008) discovered the multimodal SMI's effects intensify with time, and their long-term repercussions are more. Stress management measures in multimodal SMI might be difficult to acquire at first, but their long-term benefits are greater and more enduring once learned. Aside from the fact that the comparison by Richardson and Rothstein included absenteeism and physiological reactions, this finding should be taken with a grain of salt for gift-giving reasons.

Research on secondary individual-degree SMI is very important because of the variety and range of effect magnitude that may be found. Even though impact sizes vary widely, virtually all outcomes are of excellent quality in direction, despite their small size. This is the best we can tell at this time. It was shown that CBT and relaxation therapy's effect sizes varied between zero and two, with 22 of 35 research showing non-significant results, like Van der Klink et al. (2001). A broad variety of effect sizes have been found via prior studies of SMI and mindfulness instruction. As a consequence, however, even if secondary individual-level SMIs are not harmful to worker well-being, their favourable benefits are not attained in all working environments. Because of this, it is possible that other factors, such as how the SMI is implemented or the setting in which it is taking place, may also have an influence on its efficacy. It is difficult to make meaningful conclusions regarding the effects of context and implementation method on secondary individual-stage SMI efficacy due to a paucity of research and inconsistent data (Richardson & Rothstein, 2008; Van der Klink et al., 2001).

Managerial Implication

In this study primary-level and secondary-level intervention techniques are used on individual- and occupational-level stress. A few studies have proved that

primary-level intervention techniques are more effective than secondary-level intervention techniques when the stress level of an individual is low. However, many studies have proven that secondary-level intervention techniques are more effective than primary-level intervention techniques when the stress level of an individual is high. It should be helpful for the management to identify and provide the exact intervention programme for their employees, which helps to improve their efficiency in work.

Conclusion

A broad variety of stress management therapies are available for businesses, according to our investigation. CBT, Registered Massage Therapist and Model-Integrated Evidence, which are all at the secondary level of SMI treatment, have a solid evidence base, but the evidence for organisational-level treatments like job redesign is still increasing. Our knowledge of why interventions work is improving as we learn more about the finer implementation methods and employee involvement, according to the findings of studies. These findings may be influenced by the effect of book bias, as well as the fact that they are based on studies with a wide variety of methodological limitations, so it is crucial to keep that in mind. In reality, more research, not only RCTs, is needed to strengthen the evidence basis for SMI. This study should use more rigorous methodology. SMI findings and the impact of various intervention strategies on their quantitative and qualitative quality will instead be assessed using extensive assessment frameworks. When it comes to character-stage SMI, for example, we do not know much about the settings when SMIs are most effective, and we do not know how effective treatments are since studies do not use the same metrics of well-being. If SMI is aware of these difficulties, it may be able to better direct its efforts and give aid as required. Since just a few studies have looked at the long-term benefits of SMI, doubts remain about its influence. It is clear that this has significant consequences for SMI control. Do firms do SMI on a regular basis and reap the long-term benefits, or do they have to persist and persevere to ensure that well-being stays high?

Declaration of Conflicting Interests

The author declared no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

Funding

The author received no financial support for the research, authorship and/or publication of this article.

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Value Co-destruction in Services: A Review of the Past Literature and an Agenda for the Future

Review of Professional Management:
A Journal of Management
21(2) 205–226, 2023
© The Author(s) 2023
DOI: 10.1177/09728686231210740
rpm.ndimdelhi.org



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Abstract

The value co-destruction (VCD) as a concept has been overshadowed by the focus of services research on value co-creation. The usefulness of service and value has been mentioned multiple times in the literature on service-dominant logic. The logical idea that, if value can be jointly created, it can also be jointly destroyed through similar interactional processes among the service systems has simply been ignored by the services study. In order to better grasp the notion of VCD and to pinpoint prospective areas for related future research, this article attempts to bring it to light. This study aims to do an in-depth literature review to identify the major aspects related to VCD that have been studied so far and thereby identify the gaps in the VCD literature to highlight the scope for related future research.

Keywords

Value co-destruction, co-destruction of value, interactive value formation, S-D logic, resource integration, service system interactions, negative value outcomes

Received 6 April 2023; accepted 5 October 2023

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Introduction

According to Philip Kotler (1972), marketing is an organised method of creating and providing value to others in order to elicit the desired reaction. The fundamental element of marketing is transaction, which is nothing more than a trade of values between the parties. In addition to goods, services and money, other resources, such as time, energy and even feelings, can also be exchanged as things of value. Value has been defined by Vargo et al. (2008, p. 149), as ‘an improvement in system well-being’, where well-being refers to ‘system adaptiveness or ability to fit in its environment’. The study of Diener et al. (1999, p. 276) also explains well-being as a set of incidents that comprise the emotional responses of the people combined with their judgements of life satisfaction, thereby highlighting the need to ensure that there is an improvement in well-being to guarantee value to the customer. Value has also been regarded as a trade-off between resources that are sacrificed (costs) so as to receive certain returns (benefits) (Zeithaml et al., 1988).

Value co-creation (VCC), according to Vargo and Lusch (2004) and Vargo (2008), is said to happen when the customers integrate their resources with that of the organisation to derive value from the value propositions offered by the service provider. The focus of VCC is on the integration of resources that happens during the interaction between the service systems. Vargo et al. (2008, p. 145) defined service systems as ‘configurations of resources (including people, information, and technology) connected to other systems by value propositions’. These service systems are nothing but the actors that are involved in the interaction process and include firms, customers, suppliers, employees and all the other partners in a firm’s network. These service systems or actors tend to integrate their resources with that of the other systems in the interaction process so as to create value for themselves and also for the other systems involved (Lusch & Vargo, 2006; Spohrer et al., 2007; Vargo et al., 2008). This makes the customers or any other service system for that matter assume the role of a resource integrator, thereby facilitating value rather than being a mere passive receiver of value.

From the foregoing discussion, it is evident that the implicit premise of S-D logic is that interactions between service systems/actors have an innate tendency to lead to VCC. But it need not always be the case. The service literature has seen an overwhelming focus of research on VCC, which has simply overlooked the possibility of an equally important concept of value co-destruction (VCD). This study seeks to raise awareness of VCD in an effort to better comprehend the idea and to pinpoint areas that could be studied further in the future. This article seeks to bring attention to VCD, in an effort to better comprehend the concept of VCD by reviewing the work done so far on the concept and to identify potential areas for related future research.

Value Co-destruction

The term ‘value co-destruction’ was first coined by Plé and Cáceres (2010, p. 431), who defined it as ‘an interactional process between service systems that results in a decline in at least one of the systems’ well-being’. The study by

Echeverri and Skålén (2011) has highlighted that just like VCC, VCD should also be considered as an integral part of the interaction between the providers and customers. Their study states, 'While co-creation refers to the process whereby providers and customers collaboratively create value, co-destruction refers to the collaborative destruction, or diminishment, of value by providers and customers'. When value can be considered as a trade-off between costs and benefits (Zeithaml et al., 1988), VCD is said to occur when the costs of engaging and integrating resources in the interaction process exceed the benefits achieved in return. As Prior and Marcos-Cuevas (2016) pointed out, VCD can be considered as the net deficit between costs and benefits.

Resource misuse or misintegration has been considered as the major cause of VCD (Laud et al., 2019; Plé & Cáceres 2010). The resources that are integrated by the service systems to create value for the other systems might also be utilised in a manner that has detrimental effects on the other systems, thereby resulting in VCD for at least one of the systems involved. Every system entering the interaction process has certain expectations about its roles and responsibilities and that of the other systems in terms of resource integration, in order to create value. According to Plé and Cáceres (2010), resources are considered to be misused when they are utilised in a manner that is considered unexpected or inappropriate by other systems involved in the interaction process.

Literature Review

The services literature presents evidence of a few studies that have focused on co-destruction of value and several aspects related to the same. The authors have done a review of such literature so as to gain a good understanding of what are the different aspects (about VCD) that have already been studied. This helps in two ways: first, it helps us in understanding the concept of VCD better, second, it helps us in identifying the areas that are yet to be researched. The findings, or rather the observations, of the literature review are given in Table 1.

Potential Areas of Future Research

From the literature review (discussed above), it can be observed that research on VCD has been gaining momentum over the years, and yet there is so much that still needs to be researched to learn more about VCD. It would, hence, be really helpful to look for the potential areas of future research, primarily from the perspective of 'Transformative Service Research' (TSR). TSR can be defined as any research endeavour that, at its core, examines the connection between service and well-being and places a focus on both indicators of growing and decreasing well-being. TSR primarily exemplifies research that is concerned with bringing about 'uplifting changes' that are meant to enhance the quality of life for people (both consumers and workers), families, communities, society and the ecosystem as a whole (Anderson et al., 2013). According to this TSR methodology, the emphasis on well-being issues in services also arises when at least one of the

Table 1. Major Findings of the Literature Review.

Topic	Major Findings	Relevant Literature
Co-destruction definition	'An interactional process between service systems that results in a decline in at least one of the systems' well-being.' 'Co-destruction refers to the collaborative destruction, or diminishment, of value by providers and customers'	Plé and Cáceres (2010, p. 431) Echeverri and Skålén (2011, p. 355)
Value destruction-through-misuse	This term was set up in contrast to the term, 'value-in-use' related to co-creation. According to Plé and Cáceres (2010), VCD happens primarily because of misuse of resources by service systems. Resources are said to be misused when one or more service systems integrate or utilise the resources (their own or that of the other service systems) in a manner that is considered inappropriate or unexpected by the other service systems in the interaction process. When one or more service systems' resources are misused, it can have a negative impact on the value of at least one of the other systems engaged in the exchange. The authors further explain that when there is congruency in expectations of the service systems, then it leads to VCC, whereas the incongruency in expectations of the service systems results in VCD.	Plé and Cáceres (2010)
Types of 'misuse of resources' that lead to VCD	Resource misuse by one/more of the service systems is considered as the source of VCD. Two ways in which resources can be misused: 1. Accidental resource misuse 2. Intentional resource misuse	Plé and Cáceres (2010)
Types of value formation	Two types: 1. <i>Non-interactive value formation:</i> • It is also known as the exchange view of value. • Value is considered to be embedded into the products by the manufacturer during the production process, by combining all the resources together and giving it a shape of final output, which can be used. • It is objectively measured in terms of the price that the customer pays for the products.	Echeverri and Skålén (2011)

(Table 1 continued)

(Table 1 continued)

Topic	Major Findings	Relevant Literature
Interaction value practices (practices, arising from interaction among the service systems. (These activities can lead to both VCC and VCD.)	2. <i>Interactive value formation:</i> • Value is considered to be co-created, while actually using the product and during the interaction taking place between the provider and the customer. • The value that is co-created is based on the set of preferences of the service system and is derived based on the contextual experiences enabled by that product. • Here, value is subjectively assessed by the service system.	Echeverri and Skålén (2011)
	Five interaction value practices:	
	1. <i>Informing:</i> This is a practice where information sharing happens between employees and customers. This information mostly pertains to the issues related to the service.	
	2. <i>Greeting:</i> This refers to the manner in which the employees and customers approach and greet each other.	
	3. <i>Delivering:</i> This refers to delivery of the core service.	
	4. <i>Charging:</i> This refers to that part of the interaction process between the customers and employees, which includes paying, charging and issuing tickets, etc.	
	5. <i>Helping:</i> This includes: • the help that employees/staff offer to the customers • the help that customers give each other • the help the customers provide to the employees/staff.	
	The authors also clearly explain that each of these practices can lead to either co-creation or co-destruction, depending upon the congruency in the elements of practice (procedures, understandings and engagements) for each of the above-mentioned practices. The interaction results in VCC when the actors or service systems draw on congruent elements of practice. Otherwise, it results in VCD when the elements drawn by the interacting actors are incongruent.	

(Table 1 continued)

Topic	Major Findings	Relevant Literature
VCD in online environment	Interactions among the following four elements were considered as online engagement: people, organisation, technology and service design. The following are the factors that influence the development of VCD induced by online customer engagement (on the basis of the aforementioned four elements): a. <i>People</i>: • Retaliation and revenge by customer • Employees lacking soft-skills • Employees speaking negatively about their company b. <i>Organisation</i>: • Negative attitudes of the company (such as deception, avoiding and confrontational) • Long delays resulting from organisation's incompetency. c. <i>Technology</i>: • Technology failure	Zhang, et al. (2018)
Formation of actor perceptions of VCD	1. <i>Goal prevention</i>: This occurs when actors' desires are unrealised. This involves the actors' belief that their desired goals/outcomes were not realised from their interaction with other service systems involved in the interaction process. Causes: • Resource misalignment • Praxis/process misalignment • Absence of resources or practices Main outcome: • Actor disappointment 2. <i>Net deficits</i>: This occurs when actors experience excessive costs, which could be in the form of psychological, emotional or other costs. Thus, these net deficits can be explained as the difference between the actor's perceived costs and perceived benefits as a result of collaboration with other service systems in the interaction process.	Prior and Marcos-Cuevas (2016)

(Table 1 continued)

(Table I continued)

Topic	Major Findings	Relevant Literature
Different actor engagement styles influencing the actor's experience of VCD	Causes: • Resource misuse	Prior and Marcos-Cuevas (2016)
	Main outcome: • Actor anxiety	
	Two bases for categorising actor engagement styles, that carry the potential to influence the actor's experience of VCD, are as follows: <i>1. Explicitness of the actor's purchase goals:</i> This refers to the extent to which the actor articulates their desire clearly and deliberately to other actors. The actor is said to be: • Explicit about the purchase goals when the actor is very clear in articulating their desire • Hybrid about the goals when he/she is sometimes clear in articulating their desires and sometimes not • Implicit about the purchase goals when the actor is not very clear in articulating his/her desire <i>2. Style of participation:</i> • Active: When the actors actively participate in the actor-to-actor interaction process • Hybrid: When customers participate in certain situations but not in other circumstances • Passive: When actors choose not to or do not intend to participate in interaction The combination of the above actor styles results in VCD in the forms of goal prevention and net deficits.	
Characteristics of actor-to-actor relationships in a service ecosystem that give rise to VCD	1. Need for trade-off between possible benefits against opportunity costs 2. Inconsistency in the goals and priorities of different actors	Prior and Marcos-Cuevas (2016)

(Table I continued)

(Table 1 continued)

Topic	Major Findings	Relevant Literature
VCD concerning online interactions among actors or service systems, in the context of fashion luxury	The process of VCD under four main types/ themes of resources that are involved in the interactions between luxury brands and customers, happening online. The four main resources are as follows: 1. <i>Love</i>: Customers who are emotional have higher standards for the reciprocity and caring shown by companies in their encounters. Such people demand a reward for their 'love'. In the online setting, it is challenging to keep an individualised approach, making this difficult to accomplish. For many customers, the lack of human interaction leads to VCD. 2. <i>Status</i>: Some customers, particularly those of luxury brands, who do not want to be affiliated with people from other social classes, find it irritating that online platforms are accessible to the general public. A certain group of individuals experience value destruction as a result of this. There could be a loss of value for the company as well, particularly when the brand name is mocked and tagged in an online setting, which eventually lowers the value for many other customers. 3. <i>Information</i>: Co-destruction of value in terms of information occurs in the following situations in the online environment: • Information is important in online environments, mainly due to the inability to touch products physically. • Online information about the bad experiences of consumers or people they know may devalue the brand as well as the product being purchased. The consequences of the brand not responding to such comments could be even worse. • Brands should exercise caution when posting any images or videos because different users may perceive them differently.	Quach and Thaichon (2017)

(Table 1 continued)

(Table I continued)

Topic	Major Findings	Relevant Literature
	• The ease of access to information also creates the possibility of cascading, in which customers engage in similar behaviour after witnessing others disparage and criticise a company, even if they previously had a favourable attitude towards it. 4. <i>Services:</i> When it comes to online services, there may be instances where customers' expectations are not fulfilled, particularly in the case of high-value customers who want more individualised services. Dissatisfaction could result from this, which could eventually lead to the customers' perception of value being destroyed.	
Co-destruction in ecosystems	Ecosystem here refers to the contexts that involve several stakeholders. • In ecosystems, a single actor's activities could unintentionally or intentionally co-create or co-destroy value for that actor or other stakeholders. • In addition, for one or more players in this ecosystem, VCC and VCD may alternate over time or even co-exist. • As a result, co-creation and co-destruction of worth can be seen as two sides of the same coin.	Plé (2017)
VCD in different kinds or categories of relationships	1. <i>B2C interactions:</i> Customer misbehaviour leads to VCD, which can lower employee/staff well-being at the company. 2. <i>B2B interactions:</i> Value destruction is a result of certain unfavourable circumstances, such as lack of actor trust, poor coordination and communication, a lack of human capital and an imbalance of power. 3. <i>Public actor interactions:</i> VCD occurs when the value formed is diminished because of public's engagement, resulting in the generation of bad or negative outcomes. This typically occurs as a result of failures to provide services in accordance with set norms and/or inappropriate use of resources by the provider or user.	Järvi et al. (2018)

(Table 1 continued)

Topic	Major Findings	Relevant Literature
Reasons that lead to VCD	Numerous factors contribute to value co-destruction. Each of these causes has the potential to result in an ineffective interaction between the actors, which would then result in a decrease in well-being for either one or both, which is nothing more than VCD. Eight factors lead to VCD: 1. Absence of information • Customer fails to produce information • Provider cannot provide accurate information and • Customer cannot process information. 2. An insufficient level of trust • Customer is unwilling to offer details or information • Inability to trust • Customer acts selfishly 3. Mistakes • Wrong assumptions • Incorrect product 4. An inability to serve • Expensive offerings • Poor customer relationship management • Failure to deliver on promises made to customers • Sluggish provider processes 5. An inability to change • Provider fails at responding to contingencies • Customer fails to adopt new behavioural ways 6. The absence of clear expectations • Absence of clear needs • Customer has inaccurate expectations 7. Customer misbehaviour • Customer acts disruptively • Customer misuses product • Incorrect storing 8. Blaming • Harmful complaining • Groundless blaming	Järvi et al. (2018)

(Table 1 continued)

(Table I continued)

Topic	Major Findings	Relevant Literature
Categorisation of the causes of VCD into time segments during the interaction or purchasing process	It is important for managers to understand which antecedents/reasons of VCD arise at which point of time. Knowing this will allow them to anticipate these pitfalls and provide workers with the proper training. The following three time frames (during the collaboration process) can be used to group these reasons: 1. Before collaboration • Inability to change • Absence of clear expectations 2. After collaboration • Customer misbehaviour • Blaming 3. Time-independent (the following factors can take place anytime throughout the collaboration process): • Absence of information • Insufficient level of trust • Mistakes • Inability to serve	Järvi et al. (2018)
The bad/negative effects of customer misbehaviour on employees during work	Customer misbehaviour's effects on staff (how it leads to VCD among employees): • A major cause of frustration, rage, irritation and even depression among employees. • Has an adverse/negative impact on co-worker relationships (when employees are insulted in front of their peers, they feel humiliated). • The persistence of incidents involving misbehaving customers has an impact on employee's commitment to stay in one's position and with one's employer organisation.	Kashif and Zarkada (2015)
Employee perceptions of customer misbehaviour and organisation's support in such situations	The motives behind customers' inappropriate behaviour, according to employees: • Customer misbehaviour is a tool to serve their individual interests. • A means to acquire influence over other clients.	Kashif and Zarkada (2015)

(Table I continued)

(Table 1 continued)

Topic	Major Findings	Relevant Literature
	Employee perceptions of organisational (lack of) support: • The technology, time and expertise required for successful customer interactions are not provided to employees. • Because service providers value their customers so highly, they only consider the (unfavourable) feedback provided by customers and ignore that of their employees.	
Employee coping mechanisms to address workplace instances of inappropriate behaviour	• Following the rules but improvising the solutions as needed • Because the company rewards service and because fellow employees appear to value effective customer handling, employees tend to exhibit empathy, compassion and tolerance.	Kashif and Zarkada (2015)
Causes of diminished value in business-to-business interactions	The paper found five major resources that, due to a lack of or improper use, account for low-value outcomes. The five major identified dimensions along with their constituent elements are as follows: 1. Absence of trust • Risk aversion • Fear of opportunism 2. Inadequate communication • Inadequate organisational structure • Inadequate information sharing 3. Inadequate coordination • Inadequate time • Untimely stakeholder interventions 4. Inadequate human capital • Inadequate experiential knowledge • Inadequate skills/ability • Static mental models 5. Power/dependence imbalance • Reduced motivation • Goal incongruence • Groupthink • Conflict • Reduced goal commitment	Vafeas et al. (2016)

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Topic	Major Findings	Relevant Literature
	This study proposed the term ‘value diminution’ in contrast to ‘value co-destruction’. Vafeas et al. (2016) defined value diminution as follows: ‘The perceived suboptimal value realization that occurs as a consequence of resource deficiencies in, or resource misuse by, one or more interacting actors. Any or all of the actors may, to a greater or lesser extent, be victims of value diminution.’	
A spectrum of dimensions of value formation, produced by various social practices in the sharing economy (Airbnb).	The following are the six themes of guest–host social practices and their subcategories, which together produce a spectrum of dimensions of value formation (both VCC and VCD): • Welcoming • Evaluating location and accommodation • Expressing feelings • Helping and interacting • Recommending • Thanking This research supports the idea that value can be co-created or co-destroyed during interactions when the elements of practices drawn by the interacting service systems are not consistent with one another or are incongruent.	Camilleri and Neuhofer. (2017)
Scale development of VCD behaviour in tourism	The Chinese tourism business serves as the study’s context. The writers created a scale to quantify the value destruction of the travel and tourism sector. The study’s findings indicate that five dimensions make up the measurement scale for VCD behaviour in tourism, which are as follows: • Bad interpersonal communication behaviour • Bad interpersonal interaction behaviour • Irresponsible customer behaviour • Employee contract violation behaviour • Irresponsible employee behaviour	Guan et al. (2020)
Introducing the notion of ‘value no-creation’	According to the authors, on the interaction and value framework outcomes continuum, value no-creation (outcome: difference in value-in-context) lies between co-destruction (outcome: decline in value-in-context) and co-creation. (Outcome: increase in value-in-context.) The framework also demonstrates how the process alternates between co-creative, no-creative and co-destructive interaction episodes, leading to the no-creation relationship conclusion.	Makkonen and Olkkonen (2017)

(Table 1 continued)

(Table 1 continued)

Topic	Major Findings	Relevant Literature
Typology of resource misintegration manifestations	VCD manifestations have been found based on a review of the literature on the subject. A manifestation is a clear indication that resource misintegration has in fact occurred rather than a cause. These manifestations offer proof or a precursor to the potentially reduced well-being of one or more focal actors in the service system, giving managers an opportunity to address the VCD impacting the well-being of the service systems in various areas. Ten such distinct manifestations were identified: 1. Lack of resources to integrate 2. Blocked access to integrate resources 3. Unwillingness to integrate resources 4. Misunderstanding of how to integrate resources 5. Disagreement on how to integrate resources 6. Deceptive integration of resources 7. Negligent integration of resources 8. Incapacity to integrate resources 9. Excessive integration of resources 10. coercive integration of resources	Laud et al. (2019)
Impact of VCD on different domains of well-being along with examples	During the interactional value process, VCD causes at least one of the support systems to experience a decline in well-being. From the literature review, six different domains of well-being have been identified. These domains have been listed below along with examples of decreased well-being (as a result of VCD) in each such domain, which are as follows: <i>1. Professional well-being:</i> Actors' assessments of their current job development and work experiences are included in this area of well-being. Examples: role ambiguity, burnout or job loss <i>2. Leisure well-being:</i> The assessment of the leisure time and involvement of the interacting systems falls under this area of well-being. Examples include having less time to participate in or experiencing less hedonic enjoyment from leisure activities.	Laud et al. (2019)

(Table 1 continued)

(Table I continued)

Topic	Major Findings	Relevant Literature
VCD in hotel services	3. <i>Financial well-being:</i> This area of well-being is the focal actors' assessment of their financial status and security. Examples include a decrease in lifestyle security and comfort.	
	4. <i>Health and safety well-being:</i> The focal actors' assessment of their state of bodily health is included in this area of well-being. Examples: poor health and mobility	
	5. <i>Emotional well-being:</i> The evaluation of the focal actor's emotional condition is referred to as this domain of well-being. Examples: negative felt emotions, such as anger, sadness, anxiety or fear	
	6. <i>Social well-being:</i> This domain of well-being refers to a sense of togetherness and good interpersonal ties among the main actors. Examples: isolation, loneliness and/or loss of trust in others	
	Six potential VCD antecedents were found to be the sum of a number of potential variables that might have contributed to poor service experiences in hotel services. They are listed below:	Järvi et al. (2020)
	1. <i>Provider-originated antecedents:</i> These are the factors or antecedents in hotel services, that customers did not expect and thus led to VCD. These factors include:	
	• <i>Inability to provide a service:</i> Typically, this relates to issues with the services provided to the customer while they were staying at the hotel.	
	• <i>Contextual rigidity:</i> This relates to problems with a hotel, internal or external, that may limit how well its employees can provide services to guests.	
	• <i>Incoherent marketing communication:</i> This is when a company communicates with its clients in a way that is inaccurate and leaves them with false and unrealistic expectations.	

(Table 1 continued)

Topic	Major Findings	Relevant Literature
	2. <i>Customer-originated antecedents:</i> These are the elements or precursors in hotel services that characterise client behaviour that the business and its staff did not anticipate and as a result caused VCD. These elements include: • <i>Excessive expectations:</i> This factor describes the situations where the customers develop unreasonable and unrealistic expectations regarding the hotel visit. • <i>Insufficient communication:</i> This element relates to a guest's failure to communicate with hotel employees while they are staying there. • <i>Inappropriate behaviour:</i> This is used to describe instances in which customers act inappropriately or in ways that deviate from accepted norms of social behaviour.	
Antecedents of VCD in online travel communities	Online travel communities are best characterised as social networks that allow travellers to exchange knowledge, advice and travel experiences while also offering advice and support to other travellers. Most of the time, it is provided at no cost. Negative behaviours in these communities mainly result in VCD by restricting other members' access to reliable knowledge and information. In the context of online travel communities, the antecedents to VCD are as follows: <i>Social loafing:</i> In contrast to when they work alone, community members tend to put forth less effort when working with others. They make fewer information- and knowledge-based contributions and instead prefer to wait for others to do so. <i>Knowledge hiding:</i> This can be characterised as an undesirable behaviour in which members purposefully withhold or conceal information that is needed by others or that could be beneficial to them.	Lv et al. (2021)

(Table 1 continued)

(Table I continued)

Topic	Major Findings	Relevant Literature
Outcomes of VCD in online travel communities	<i>Communication overload:</i> This describes a situation in which a community's demands for communication surpass its members' capacity for communication, leading to VCD in those individuals. It usually happens when community members invest time, effort, information and knowledge into participating in frequent interactive communication but do not receive enough benefits as a result. This leads them to believe that the situation is unfair and causes a lot of psychological pressure, ultimately leading to VCD.	
	<i>Distrust:</i> Distrust is a type of non-cooperative behaviour that is associated with negative beliefs or lack of confidence in the qualities or behaviours of the other person. As an illustration, it can impact interpersonal relationships and contribute to VCD when community members believe that other members are incompetent, malicious or deceptive.	
	<i>Conflict:</i> Conflict is defined as the interaction between two or more parties who have conflicting objectives, which may lead to member tension, hostility, apathy and other negative feelings.	
	<i>Inappropriate behaviour:</i> When members act in a disrespectful, demeaning, unreasonable or aggressive manner towards other members, that behaviour is deemed improper. Such behaviour has a bad emotional impact on the other members, resulting in VCD. For instance, treating other community members with an impolite attitude or yelling at people on purpose to express their own feelings, etc., can result in VCD for the community's members.	
	When members of the online community experience VCD, their well-being is declined. So, in order to bring back the equilibrium and improve their well-being, they tend to engage in coping behaviours. The outcomes of VCD, as experienced in online travel communities are as follows:	Lv et al. (2021)

(Table I continued)

(Table 1 continued)

Topic	Major Findings	Relevant Literature
How VCD takes place in self-service technologies (SSTs)	<i>Negative word-of-mouth:</i> This refers to a scenario where consumers pass along or share their bad consumption experiences—or those of others—to others in an effort to discourage them from consuming a product. Consumers who perceive VCD as negative emotions have a tendency to let those negative emotions out through negative word-of-mouth.	
	<i>Switching behaviour:</i> This is a term used to describe a phenomenon where customers cease using a certain service and switch to another. The main causes of the same are unhappiness, disappointment and regret. When faced with VCD, consumers frequently engage in switching activity as a coping mechanism.	
	<i>Counterproductive work behaviour:</i> This refers to potentially adverse behaviours enacted by members that may negatively impact businesses and/or stakeholders such as workers, investors and clients. A few members may participate in counterproductive behaviours to vent their negative emotions when they experience negative emotions because this tends to cause VCD for them.	
	The four major themes of customer inabilities (summarised from 15 factors), which result in VCD in customer interactions with SSTs, are as follows:	Galdolage (2021)
	<i>Poor co-learning:</i> One of the major reasons as to why customers experience VCD is that they do not cooperate in learning about SST transactions. Customers' poor learning of SST transactions, which results in VCDs, is primarily caused by their inability to seek the most accurate information, follow instructions, refuse to share necessary information and recall information. <i>Poor cooperation:</i> VCD in SSTs are also caused by customers' poor cooperation with SSTs. The major types of customer poor cooperation that resulted in VCD in SSTs were generally recognised as not complying with the requirements, refusing to accept the terms and conditions, refusing to accept responsibility and refusing to change habits.	

(Table 1 continued)

(Table I continued)

Topic	Major Findings	Relevant Literature
	<i>Poor connections with service employees:</i> Customers' interactions with the service provider in the context of SST are usually restricted to instances in which they experience issues or challenges with SST performance. They become irritated if they are unable to reach the service personnel during critical situations. <i>Poor correcting skills:</i> Other significant causes of VCDs include client shortcomings in error prevention and recovery in SSTs. Many SSTs typically provide warnings and indications of potential errors, so that customers can recognise them and act quickly to avoid errors, as was brought up by the respondents. Customers' poor error-prevention skills and inattention to these cautions, however, lead to VCD in SSTs.	

service systems involved in the interaction process has been harmed—either unintentionally, unknowingly or occasionally even intentionally—by services. And VCD by definition talks about well-being diminished or decreased and, hence, studying VCD from the TSR perspective will hold interesting implications for not just managers and researchers but also the society at large. Because much of the literature was focused on the co-creation of value, researchers have not focused much on the co-destruction of value and this article acts as a point of reference for the researchers in future by giving a detailed review of the work that has already been done in the area of VCD and also by listing out the potential areas (related to VCD) for future research.

Given the increasing level of interactive value formation in recent years, I believe that just as the co-creation of value, the co-destruction of value is also inevitable. So, from the TSR perspective, the following are the potential areas of future research (related to VCD):

- Impact/effects of co-destruction on the well-being-oriented outcomes of customers/employees.
- Given the growing co-production role of customers and the importance of consumers in value creation, the role of consumers in VCD activities and their effect on both consumer and employee well-being (Anderson & Ostrom, 2015).
- Scale development to measure VCD.

Other areas for potential future research:

- Potential drivers of stress experienced by service employees and customers (as a result of VCD).
- Drivers of the behaviours of service systems that result in co-destruction. In order to understand the concept of co-destruction better, it would be useful to study what actually drives the behaviours of consumers, or employees or any other service systems, such that it causes them to behave in a way that leads to VCD.
- Given that value is thought to have many facets and cover a range of dimensions (economic, relational, experiential, etc.), is it conceivable or logical to think that one type of value might make up for another? If so, it would imply that an interaction could have both VCC and VCD for the same actor (for example, economic VCD on the one hand and experiential or relational VCC on the other).
- Is such a situation conceivable? If so, how precisely would this happen? How could it possibly be measured? (Plé, 2017).
- Ecosystem dynamics, or co-destruction contexts with a variety of stakeholders, should be the main emphasis of research on co-destruction processes. The co-destruction process may be much more complex when multiple and diverse actors and service systems are engaged in ecosystems than it is when only two actors are present.

The co-creation and co-destruction of value are like the two sides of the same coin. If VCC is possible, then VCD is also equally possible. So, studying VCD might offer interesting and fascinating avenues for research, specifically in services marketing, while also helping us to get a wholesome understanding of the interaction value process.

Declaration of Conflicting Interests

The authors declared no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

Funding

The authors received no financial support for the research, authorship and/or publication of this article.

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Aspects of Indian Retail Digital Currency

Review of Professional Management:
A Journal of Management
21(2) 227–241, 2023
© The Author(s) 2024
DOI: 10.1177/09728686231223090
rpm.ndimdelhi.org



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Abstract

The Reserve Bank of India (RBI), on 1st December 2022, through a pilot project, launched retail central bank digital currency (CBDC) (₹) with ₹1.71 crores with four participating banks in four cities. The RBI created around 1.5 million users in the project before its more comprehensive application. The CBDC may form in either token or account types, and the RBI for ₹ prefers the token. Tokenisation can be physical and digital, and its trading is possible in full and fractionally. For smooth implementation of retail digital currency (DC), the RBI Act was amended incorporating DC as a legal tender at par with currency notes and coins as a legal tender. Although the pilot project reports a successful launch and the RBI made it compatible with quick response (QR) codes, Indians' cash preference remains. Against this backdrop, the present study assesses the relative merit of in the CBDC retail scenario. The study concludes that DC retail could substantially transition the Indian financial market if the RBI and government could counter the fundamental challenges associated with its success, such as the provision of working without internet connectivity.

Keywords

RBI, cryptocurrency, CBDC, ₹, cash

Introduction

Global economies have witnessed significant financial innovation because of the broader use of cryptocurrencies and blockchain technology. With the introduction

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of Bitcoin (BTC) in 2009, the presence of cryptocurrencies is evident in various spheres of society, the business world, security market transactions and even in private and public profit-motive or non-profit motive organisations. The financial history of digital currency (DC) suggests the International Monetary Fund proposes to offer the Central Bank Digital Currencies (CBDC) a legal tender at par with physical currency notes. The DC transactions get momentum in volume and value after popular DCs, such as BTC and Diem are widely accepted by many countries, influencing financial systems and market capitalisation globally. Penetration of different cryptocurrencies such as Libra, Litecoin, Tether and Ethereum substantially increased their use globally, but challenges and controversies exist. The central banks, realising the distinct possibility of rapid growth of the cryptocurrencies, engaged in developing their own DCs, are usually called CBDCs. The blockchain technology-enabled CBDC ensures intermediary-free user-to-user digital transactions (Morgan, 2022). Experience suggests cryptocurrencies offer money transfers and settlement of transactions on a real-time basis, but most are unregulated, posing threats to their long-term sustainability. Research suggests CBDC could accelerate short-term investments, albeit priority-based investments substantially increase (Kou et al., 2021). Again, news and events about CBDCs significantly impact BTC returns (Akin et al., 2023) and its market (Mzoughi et al., 2022). The theory posits three functions of a traditional paper currency—a unit of account, medium of exchange and store value. However, cryptocurrency is unlikely to match the second and third functions due to its wider use as a speculative asset. Again, the nature of cryptocurrency significantly differs from established public finance theories like the credit theory of money (Mitchell-Innes, 1913) and the value derivation mechanism from issuance by the governments (Knapp, 1905). The Indian money market regulator RBI consistently vigils the facets of global cryptocurrencies and plans to launch the CBDC. On 1st December 2022, it launched the wholesale DC (e-wallet W) and, a month later, the retail DC (₹) to offer almost similar benefits of cryptocurrencies but in a legal, secured and regulated manner.

The saga of cryptocurrencies is long. A critical analysis of cryptocurrencies and other traditional financial market instruments distinguishes themselves regarding capping in transaction quantities and regulation. Cryptocurrencies have been primarily unregulated in the last few years, raising doubts about their use as a common medium of exchange in preference to paper currencies. Controversies evolve primarily due to almost lean or no control in its supply side with a simultaneous exorbitant rate of yields (Bibi, 2023). Academic research indicates multiple flip sides of cryptocurrencies, ranging from opaqueness, lack of liquidity, inefficiency and inherent risks (Le Tran & Leirvik, 2020). Assessing the potential adverse consequences, particularly in their financial markets and the economy in general, the central banks worldwide attempt to regulate cryptocurrencies differently, such as amending tax and other economic legislations and even designing their unique CBDCs. Following its peers, the RBI launched the wholesale ₹ on 1st November 2022 and the retail ₹ in a pilot project a month later. In its first phase with ₹1.71 crores, it launched the ₹ through four commercial banks, viz., the State Bank of India (SBI), ICICI Bank, YES Bank and IDFC First

Bank, in four cities, that is, New Delhi, Mumbai, Bengaluru and Bhubaneswar. Four more banks—Bank of Baroda, Union Bank of India, HDFC Bank and Kotak Mahindra Bank—were included, and operations in nine cities were added in the subsequent phase. Considering the success of the ₹, during the G-20 Summit held on 9th and 10th September 2023, the RBI announced its target to reach 1 million daily transactions by the end of December 2023. The RBI visualises that with the targeted volume, it could assess the behaviours and expectations of the customers, expectation gap, implementation challenges and subsequent changes in the design and security features of the ₹. Although the vision of the RBI is commendable, prolonged ongoing communal violence and consequent ban on mobile and broadband internet services in the northeastern state of Manipur since early May 2023 probably imposes a challenge for the success of ₹ across the country. The internet ban, in contrast, clearly leads to a higher cash preference.

The qualitative study attempts to assess the potential of retail DC through the prism of its expected advantages and flip sides in replicating its wider success.

The picturing of the CBDCs is given in the second section, the status of India's DC is given in the third section, the user's concerns are discussed in the fourth section, India's cash preference posing a challenge for ₹ is given in the fifth section, strategies of managing the challenges of ₹ are given in the sixth section, and finally, the seventh section presents the conclusion of the study and places the various issues in perspective.

Picturing CBDC

The literature reports exciting facts about CBDCs—their uniqueness, benefits and challenges. Research documents the benefits of cost saving as incurred in printing currency notes, expansion of monetary policy and providing guarantee people as a legal tender (Auer et al., 2020), improved lending and avoiding the risk of bank runs (Fernández-Villaverde et al., 2020), promoting financial inclusion, improving transaction efficiency and improving security by countering cyber frauds and reducing cross-border cash transactions. The role of CBDCs is commendable in controlling hyperinflation, curbing counterfeit currency notes, effective implementation of monetary policy, helping central banks in accounting for money supply, velocity and multiplier and achieving other monetary policy objectives. CBDCs are unlikely to compete with decentralised cryptocurrencies and instead provide versatility (Scharnowski, 2022). The large-scale popularity of the CBDC emanates due to its inherent benefits of anonymity in transactions completed without internet connectivity through e-W. Fractionalisation and affordability are other unique features as CBDCs allow fractional division of assets and livestock (Lee et al., 2021). Tokenisation further assists in tracking different reported and even unreported transactions, which eventually formalise these. The controversies surrounding cryptocurrencies, like exorbitant yields, as indicated by stalwarts like Warren Buffett referring to those like speculative bubbles, and those observations could primarily motivate central banks to launch their CBDCs (Patterson, 2018). Research motivates to assess the developments in banking and monetary policy

due to the expansion of cryptocurrencies and CBDCs considering post-Keynesian monetary theory (Cesaratto & Febrero, 2022).

The flip sides of the CBDCs are no longer uncommon, and studies document challenges of its broader adoption arising from the legal, social, technological and ethical perspectives. Research concludes that CBDCs could lead to higher liquidity requirements. This is likely to crowd out bank deposits with consequent reduced investments and increased cost of funding (Parlour et al., 2020). CBDCs could catalyse the introduction of derivative instruments, further leading to uncertainty due to its spread of transactions with high volumes. Although the law regarding compensating the gullible depositors of cyber fraud exists across countries, the provision for CBDCs requires significant changes in the legal framework. Bottleneck arises due to effective operations of CBDCs and supervision. Authors cautioned against the ill effects of CBDC, which could trigger a run of bank savings, causing panic and uncertainty in the economy and may have adverse consequences on international investments and transactions (Tong & Jiayou, 2021). The third group of researchers report a neutral impact of CBDCs' credit provision and hedging bank risk. The monetary policy will likely interchangeably adjust the impact of public and private monies.

Indian Digital Currency

CBDCs globally issue account types and tokens, and the RBI prefers the latter. As the name suggests, the account type CBDC is like a demand deposit account of the holder having a linkage to CBDC. Token form of CBDCs is like a cash or gift voucher commonly used in transactions embedded with relevant information with access to value to the owner. Tokens are programmability of cryptocurrencies which, apart from holding and transferring funds, can create new cryptocurrencies and could be traded digital and physical assets fully or fractionally. Tokens have multiple features, as evident from simultaneous events during transactions updating the parties involved, token state and confirmation. This unique simultaneous event reduces the settlement risks substantially, and the outcome of each token transaction remains unchanged and is reportable in real-time. Besides, those tokens do not have a homogenous small unit liability component; cryptocurrency-based technology assures the parties' anonymity. Although the process of issuing CBDCs could be in the two forms mentioned earlier, the research indicates significant distinctions between those. The token-based CBDC is blockchain-based and easily transferrable, like digital assets through transactions. However, the account type of CBDC is not a digital asset; instead, it shows the outstanding balance of the holder, just like a bank account. Another distinguishable feature of the token is exchangeability against other cryptocurrencies or fiat currencies, which is absent for the account-type CBDC. So far, the validation process is concerned; the RBI adopts a hybrid approach, that is, for the e-W, it prefers the account-based CBDC, and for the ₹, the retail-based. The RBI preferred the token form of CBDC over account type for those inherent benefits, like its symmetry to physical currency notes (Haque & Shoaib, 2023). However, ₹ cannot be akin to any cryptocurrency.

The purpose of creating wholesale and retail CBDC differs as the former supports and settles inter-bank transactions between banks and financial institutions. However, the latter aims to serve as an alternate physical currency as a medium of exchange in retail transactions. Studies show that CBDC launched in any of the following three ways: Model FI, where only financial institutions have access to DC; Model EW, where the individuals may directly access DC; and Model FI+, a combination of the first two models (Kumhof & Noone, 2018). The RBI declares that it digitally issued currencies to banks, and based on user requests, the participating banks would credit DC to their accounts for subsequent smooth ₹ transactions. To execute ₹ transactions, users must access the digital rupee wallet downloadable on Android operating system-enabled smartphones, and, like other e-payments, they can make payments by scanning the unique quick response (QR) code accessible at different points of sale. In its concept note issued in October 2022, the RBI considered the security concerns and smooth data updating and preferred a centrally controlled conventional database infrastructure over distributed ledger technology.

User's Concerns

The technology acceptance model posits acceptance of any individual technology, as coined by Davis (1986) and subsequently enlarged by researchers proposing new theories (Venkatesh & Davis, 2000). Different factors significantly influence technology adoption, but resistance is not uncommon. The literature indicates that BTC, a pioneer cryptocurrency designed in a peer-to-peer (P2P) cash system model, was highly volatile and referred to as an investment (Bedi & Nashier, 2020). Cryptocurrencies have inherent limitations, such as easy cash conversion in the event of stealing, which could adversely impact the volatility (Mai et al., 2018). Research further indicates relevant issues concerning protecting users' privacy and anonymity, accounting and taxation, high protection costs, money laundering, terror financing and impacts on the global financial system (see Elsayed & Nasir, 2022; Kaplan, 2021). However, studies also report that in a decentralised cryptocurrency-based monetary system, the market should automatically reach the equilibrium point without interference from the central bank (Crandall, 2019). Although CBDCs are unlikely to be exposed to the risk of bank robbery and counterfeiting problems like physical currencies, the threat of cyberattacks persists. Apart from these dimensions, concerns remain in monitoring and governing aspects and legislation issues related to taxation, anti-money laundering (AML) and anti-terrorism. Although RBI prefers the transparent conventional database infrastructure for ₹, the risk of cyberattacks remains an issue of the users' concern.

The CBDCs evolved based on experience learnt globally from the cryptocurrencies, but experts caution that the challenges will likely evolve with its large-scale usage. Research indicates the probable interoperability problems in the financial system due to excessive conversion of physical currencies to CBDCs, which may trigger fund crises for commercial banks in financing development

projects and destabilise the financial system (Yamaoka, 2022). Research also concludes that such experience with retail CBDCs (Bindseil, 2019) and central banks could enjoy monopolistic power, which may lead to bank runs (Sinelnikova-Muryleva, 2020). However, India is unlikely to witness this phenomenon due to its sound financial system. Critics of cryptocurrencies argue that these reach their equilibrium point through the law of demand and supply. Excessive volatility and lack of regulation could adversely impact the economies. The CBDCs could address those concerns as the central banks issue and closely monitor those but are likely to hamper price stability (Elsayed & Nasir, 2022). The CBDCs could verify the potential buyers' details record, and monitor transactions. However, privacy and anonymity concerns are prominent grey areas for the CBDCs due to the lack of generally accepted underlying technology and loopholes in the existing blockchain-based technology. Consequences of privacy and anonymity risks could have wider ramifications in the social and national arena, may trigger biased credit decisions and could misuse the leaked data with ill motives (Jabbar et al., 2023).

Research suggests that lessons learnt from cryptocurrencies improve the designing of CBDCs, but unaddressed questions still need to be answered regarding the regulation of property rights, accounting and taxation (Goodell & Shen, 2021). Regulations of CBDCs concerning transaction verifications and control vary worldwide, enhancing vulnerability. However, cryptocurrency-related pitfalls, for example, high volatility and speculative nature, decentralised DC, money laundering and terror financing and probable tax evasion (Alsalmi et al., 2023), are unlikely to arise in the ₹ era. The concerns regarding bank runs are unlikely to arise in India; instead, the domestic currency-denominated CBDCs could complement bank deposits, as research affirms (Goodell & Shen, 2021). The literature concurs that the increasing cost of regulatory compliance catalyses financial sectors to adopt regulatory technology (RegTech) (Butler & O'Brien, 2019). Moreover, post-global financial crisis era banks focus more on transparency and close monitoring of transactions. The Basel-III requirements indicate that banks should comply with AML and counter-financing of terrorism (CFT) regulations. Banks adopt uniform strategies to detect the perpetrators of AML and CFT and prefer stringent rule-based systems, but those strategies are not flawless (Han et al., 2020). Again, recognising the drawbacks of the rule-based system, banks widely prefer artificial intelligence (AI) technologies to minimise human errors (Aziz & Dowling, 2019), but solving those problems requires more comprehensive experience.

Interestingly, regulating AML/CFT against the backdrop of the launching of e-W and ₹ is likely to be a difficult task as RBI lacks such rules. The RBI, as a regulator, is required to verify users' identities, complying with provisions of Section 35A of the Banking Regulation Act, 1949, and Rule 9(14) of the Prevention of Money Laundering (Maintenance of Records) Rules, 2005 (PMLA). However, quashing RBI's impugned circular by the Supreme Court debarring the mobile operators from virtual currency transactions on the grounds of proportionality exposes its limited regulating power.¹ Although RBI subsequently issued guidelines for banks and financial institutions dealing with DCs to follow the provisions

of existing acts, controversy remains evident from the infamous WazirX story. Consequently, the RBI should extensively study the development to prevent its recurrence concerning implementing DCs. Again, successful implementation of ₹ primarily depends on robust and real-time solutions to problems pertinent to risk aversion, anonymity and data protection, vulnerability testing, high cost of fire-wall protection, lower user adoption and building mechanisms of internet-free operation. To address most of these problems, chalking out plans with adequate financial support, mass awareness and law amendments are inevitable. However, India's infamous history of mobile internet suspensions due to law-and-order issues requires an immediate revisit. Doubt regarding operational modalities likely has its solution in framing rules and guidelines for smoothly implementing them. Regarding settling small-value transactions, specific guidelines are needed; consequently, the successful ₹ would likely achieve the financial inclusion objective.

Reverting to the issue of frequent and prolonged mobile internet suspension due to law-and-order issues, as evident in Kashmir and other parts of India and five months long in Manipur, since 3rd May 2023, mar the success potentiality of ₹, whenever it will be operational nationwide. Frequent internet ban hampers in the growth of digital transactions, and ₹ would unlikely be safe. The research concludes that the winding up of small business firms that predominantly access mobile connectivity in Kashmir is due to the prolonged internet ban (Qadir & Dar, 2021). Data suggest the adverse impact on the economy due to internet suspension in Kashmir from 2012 to 2017 for 680 days was around USD 3.04 million (Rydzak, 2019). Media news of communal violence in Manipur since 3rd May 2023 and the subsequent internet ban galvanises the country, where citizens of the state suffer physically, mentally and economically. The suspension of mobile internet completely ceases digital transactions with a simultaneous unprecedented surge in cash preference. Furthermore, in the second phase of ₹ implementation in nine cities, including Guwahati, the capital of Assam, a neighbouring state of Manipur, but the people of Imphal, Manipur's capital, were unlikely to use ₹ if that city was in the second phase due to the ban on internet services. This phenomenon raises serious doubts about the sustainability of the ₹. The ban on mobile internet services and cash preference are inversely correlated, posing a serious concern regarding the success of ₹ in the affected parts of the country post-pan-India implementation. Data document that Indians reduced consumption during the Covid-19 pandemic, but the cash economy reports a substantial surge (Mohan, 2022). In view, thereof, the RBI should evolve a mechanism to run ₹ without internet connectivity. Otherwise, its moot objective of the digital economy through ₹ in preference to the cash economy will be a reverie and unlikely to be achievable soon.

Cash Preference: A Challenge for ₹

The central banks design monetary policy considering the public finance theories, and the RBI is no exception. The RBI considers global economic trends

and socio-economic factors in promoting a cashless economy; despite its different policy measures, data paint an increasing cash concentration trend. In the last couple of years, government initiatives, such as demonetisation, boosting digital transactions by introducing the Unified Payments Interface (UPI), and enacting the Goods and Services Tax (GST). However, cash in circulation (CIC) is unlikely to show a declining trend. Theoretically, the income elasticity of currency demand is likely to influence increased digital transactions coupled with government policy decisions like direct bank transfers to the beneficiaries of different schemes and GST implementation, but contesting the theory that income elasticity reports a result approximately to unity. Notably, cash with the public (CwP), another parameter in CIC research, shows a significant growth rate in the last two decades but reports an unprecedented increase during the financial years 2019–2022. Again, the CwP to demand deposit (DD) ratio for FY 2011–2022 stood at 1.44 in comparison to 1.35 reported during the period 1991–2000 (Chandak, 2022). CIC, computed as the total of CwP and cash held by banks, reports an increasing trend as a proportion of GDP. The contributing factors for high CIC include under-invoiced Chinese imports and trade credit (TC) flows with disruptions. Research also suggests that users prefer cash for illegal and illicit trading under-invoiced imports. The Indian government identified the parallel economy and terror financing as potential causes of cash preference, triggering the demonetisation of high-value currency notes in November 2016. Moreover, the lower TC velocity also contributes to cash intensity.

The growth of the no-frill bank accounts opened under the PMJDY is largely attributable to the disparity in the Indian financial system. The number of PMJDY accounts reached 486.54 million in March 2023 from 7.07 million reported in September 2014 (Fernand, 2023). Most significant economies recovered from the ill effects of the Covid-19 pandemic and reported substantial expansion in economic activities, increasing GDP growth rates. The GDP growth primarily due to turnaround economic activities contributes to increased monetary liquidity and high CIC. However, since the announcement of the demonetisation of high-value currency notes of ₹500 and ₹1,000 on 8th November 2016, CIC reported a monthly decline and the lowest figure was reported in December 2016. The withdrawal of ₹2,000 notes from circulation and its non-acceptance by banks from 7th October 2023 onwards are likely to impact the CIC partially. The RBI's DBIE for the last 13 years, as shown in Figure 1, suggests that CIC reported consistent growth year-on-year from April 2011 to April 2016 and recorded a significant decline in April 2017 due to the demonetisation. Since April 2018, CIC recorded an upward growth rate, which continued in April 2023. A scrutiny of this trend further suggests insignificant or no impact of CIC even during the Covid-19 pandemic-imposed restrictions. Such an increasing trend during the pandemic period contradicts the cashless economy.

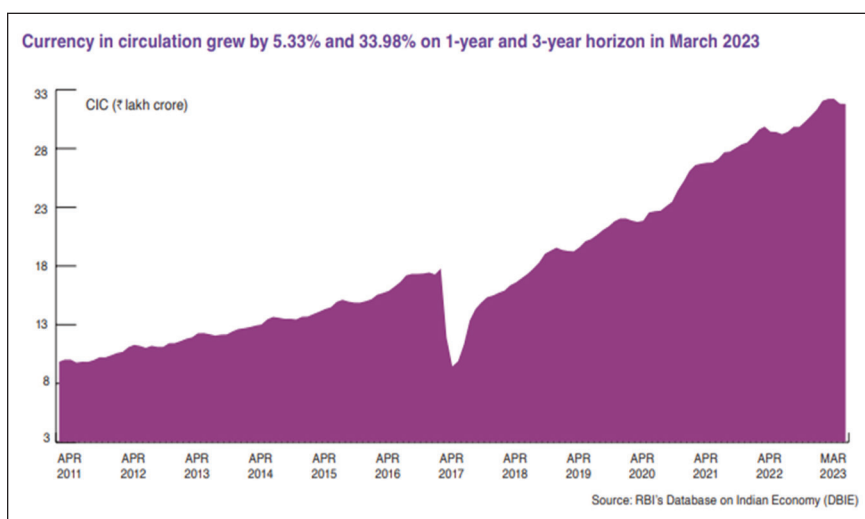


Figure 1. Currency in Circulation (CIC).

Source: RBI's Database on Indian Economy (DBIE).

Managing Challenges

Broader acceptance of ₹ in preference to cash for a diverse and most populated country like India is a mammoth task for the RBI. Public finance literature suggests that apart from speculative motives, people hold cash for transactions and precautionary motives. Both these motives have their uniqueness, such as the former reduces transaction costs without borrowing, and the latter prevents emergency expenses like exorbitant healthcare expenses, thereby preventing liquidity constraints cost. Cash is indispensable during unavoidable situations such as technical snags and uncertainty. In the Indian context, the rationale could be that the government imposed a prolonged internet ban like Manipur, poor internet connectivity and even cyber fraud threats. Cash is preferable to access investment opportunities during financial constraints and counter agency problems (Lin & Chiu, 2017). Cash preference is significantly evident in small businesses and unorganised sectors due to privacy concerns, social welfare such as anonymous donations and controlling impulse transactions (Png & Tan, 2020). Furthermore, traditional reasons for cash preference, like tax evasion and the high costs of digital transactions, contribute significantly. The uncertainty involved in the operations of cryptocurrencies significantly supports the launching of CBDCs with a consequent substantial decrease in cash management cost. RBI's ₹ implementation is likely an appropriate step in that direction, but unanswered questions remain.

The digitisation of the payments ecosystem drastically reduces the cost-of-service delivery across industries and higher profitability in other areas.

The research addressed e-payment issues, including modes like digital wallets, mobile and cards, the potential advantages and flip sides, and suggestive measures to counter the challenges (Lehdonvirta et al., 2009). Launching the UPI-enabled Bharat Interface for Money (BHIM) app and multiple benefits such as cashback and discounts for e-payments catalyse cashless transactions. India's digital payment revolution stemmed from the remarkable success of the UPI, UPI processed more than 46 billion transactions totalling USD 84.17 billion in 2022. The Indian model is being emulated by Brazil's Pix and Kenya's M-PESA (Economist, 2023). However, research on behavioural finance indicates that the 'pain of cash payment' is relatively higher than digital payments, motivating deferred payments (Rick, 2018). In contrast, Indian evidence likely paints an opposite scenario of a higher cash preference than developed economies. The prolonged internet ban in Kashmir in 2019 and Manipur since May 2023 and in isolated parts of other states threatens the cashless economy's success story rather than fuels cash preferences. The challenges of cash preference for the central banks, like currency note printing and destroying costs, as logistical costs, such as cost of carriage and providing securities, are substantial. Considering those central banks globally, in a phased manner moving to cashless economies, India followed its peers with a bold step of demonetisation in 2016. Research reports that India spends around 1.7% of its GDP in that regard (VISA, 2016), higher than the world average of 1.5% (Jenkins, 2018), albeit in Singapore, the figure merely stood at 0.5% (Menon, 2016). The literature further highlights the pitfalls of cash preference in cross-border smuggling, prostitution, terror and drug financing and inherent threats of using cash, for example, loss due to theft, pilferage, embezzlement and natural calamities (Hazra, 2017).

The literature extensively studied cash preference and the challenges associated with e-transactions, concluding with exciting results. The primary reasons for cash preference include small-value transactions, lack of trust in digital transactions, influence of users' customs and culture, resistance to change attitude, poor internet speed, cyber frauds and tax evasion (Srouji, 2020). Cash preference is evident in low-income sections with lean access to digital transactions. However, research conducted during the pandemic reports cash preference declines for transaction motive but substantially increases for precautionary motive (Rogof & Scazzero, 2021). If implemented, the ₹ could be an alternative to cash preference and UPI-based digital transactions, countering its embedded pitfalls. Although the RBI attempts to address the concerns for broader use of ₹. TRBI aims to evolve a mechanism for opening CBDC wallets without bank accounts, which could operate without internet connectivity. The offline transactions through ₹ could be a game changer for rural India and northeastern and remote India with poor internet connectivity and a low level of financial inclusion history. RBI further needs to address the concerns related to anonymity, cyber frauds and risk of double-spending and costs incurred with know-your-customers.

Conclusion

The blockchain technology-based ₹, the Indian version of retail DC, depicts huge potentiality and a relatively more secure alternative to other private cryptocurrencies. However, users and supporters of cryptocurrencies are unlikely to prefer ₹ and have their arguments. Notably, post-launching of ₹ reports suggest a significant increase in e-cash transfers across P2P outlets as opposed to UPI transactions with the presence of banks as intermediaries. The National Democratic Alliance (NDA)-I government led by Prime Minister Narendra Modi 2014 launched Prime Minister Jan Dhan Yojana (PMJDY) to bring the unbanked Indians under the ambit of the banking orchestra. However, experts are still determining its consistent addition of more customers once the ₹ becomes operational on a broader scale. The literature paints that CBDC may be operational using Android smartphones with application software without any intermediary, but the risk of cyber fraud persists. However, the encryption techniques used in DC could partially hedge the associated risks, for example, through cross-verifying transactions. The ₹ would not accelerate any run risks for banks if used with proper planning, even in stressed situations. Experts suggest an appropriate capping in the wallet transactions with a non-interest accruing feature and a periodical review likely to address this concern smoothly. However, the interest-free DCs are convertible in the event of losses. The ₹ can be a potential solution for unbanked Indians, and policymakers can monitor the transactions, which, in turn, not only achieve financial inclusion but also formalise the transactions substantially. Rural India with relatively weak internet speed and coverage may access the benefits of ₹. Considering the users' pertinent and apprehension of anonymity, the amendment of the RBI Act is a potential solution. The uniqueness of CBDC indicates it is programmable, and its creation and circulation are to achieve specific objectives. The RBI envisages that as ₹ would work like C2C or P2P, the transfer of funds would reach the destination without any threat of embezzlement or cyber fraud. Section 194N of the Income Tax Act 1961 deals with tax deducted at the source of cash withdrawal from banks exceeding certain limits, which the broader use of ₹ will likely address. Fintech innovation would further guide the RBI in combating security-related threats and anonymity problems.

The functions of currency suggest it works uniformly irrespective of its form-physical digital and has an insignificant impact on the unit of account. However, all those have their unique pros and cons. The second function of currency indicates a medium of exchange; the present forms serve the purpose comprehensively. Nevertheless, as a third function of ₹, it is likely to bring sea changes as a store of value. The third function fortifies the broader acceptability of the ₹ as the holding of cash involves inherent pitfalls such as logistic challenges and security risks. Albeit, banks offer interest to the customers for such cash accumulation. The ₹ could be a preferred mode in response to those challenges encountered by the Indians, banks, financial institutions, and the regulator and be a game changer. However, the ₹ is also unlikely to be free from snags. Reconciliation

of cybersecurity with a more comprehensive application could be a significant challenge for the RBI. The settlement of cross-border payments is still in its initial stage, posing doubts about using ₹ as a preferred mode. Consequently, the study concludes that although the ₹ in its initial stage and significant development in the financial market may be perceived if the regulator RBI can address the pertinent issues, the ₹ could bring significant changes not only in the financial market but also in the Indian economy. But as succinctly summed up in a Carnegie paper the crux of the issue lies in designing the digital rupee in a user-centric manner by identifying the user requirements, attitudes, preferences and behaviour that derive the demand for a digital rupee (Priyadarshini, 2021).

Declaration of Conflicting Interests

The author declared no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

Funding

The author received no financial support for the research, authorship and/or publication of this article.

Note

1. Internet and Mobile Association of India vs Reserve Bank of India, reported in (2020)10SCC274.

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Catch-22: A Case of Gyration Tyre Ltd

Review of Professional Management:
A Journal of Management
21(2) 242–247, 2023
© The Author(s) 2023
DOI: 10.1177/09728686231218778
rpm.ndimdelhi.org



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Abstract

During the COVID-19 epidemic, the closing of the plants of numerous automakers and component manufacturers resulted in significant losses throughout the world. Due to a delay in the supply chain and a disruption in the workforce, the industry was experiencing difficult times. Even after the lockdown in India was lifted, Gyration Tyre Ltd, the third-largest tyre manufacturer in the world, struggled to get its operations back on track.

This case study highlights the problem of Stock lifting from factories and transporting the same to auto manufacturers after the government announced a nationwide lockdown, effective 25 March 2020, due to the CORONA. Since then, Gyration Tyre Ltd, a multinational company that started making tyres in India in 2010, has kept making tyres, but only at a capacity of at least 20–25%. No one has figured out how the whole amount of production was stored at the factory because there was not enough storage space. The other problem was getting people to work together because the production department needed people there. It also talks about Mr Goal's difficulties of running production shifts. More importantly, it gives the top management of the company a view of the situation and what they can do if there is a pandemic. Also, they will understand how strategic decisions can be made even though the supply chain and labour force are slowing down and being disrupted in a big way.

Keyword

Covid, disruption, India, lockdown

Received 16 November 2023; accepted 20 November 2023

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Introduction

The outbreak of the COVID-19 pandemic in early 2020 sent shockwaves across the globe, affecting businesses and industries in unprecedented ways. India, like many other countries, implemented a nationwide lockdown, starting on 25 March 2020, to curb the spread of the virus. This lockdown had far-reaching consequences, disrupting supply chains and daily operations for countless companies. Gyration Tyre Ltd, a multinational tire manufacturing company established in Meerut, India, in 2010, was no exception to the challenges brought about by the pandemic. This plant played a crucial role in producing advanced automotive components and systems that contribute to safer, more efficient and sustainable transportation solutions. The plant's operations encompass a wide range of cutting-edge technologies and processes making it a vital part of Gyration's global supply chain.

Gyration Tyre Ltd had established itself as a renowned manufacturer of safe, efficient and high-performance tires designed for various vehicle categories, including passenger cars, commercial vehicles (CV) and two-wheelers (2W). The company had solidified its prominent position within the tire technology and production industry, celebrated for its tire products tailored to diverse conditions and applications. Despite this impressive track record, the onset of the pandemic led Gyration Tyre Ltd to a formidable set of challenges to navigate.

One of the distinguishing features of Gyration India Plant is its steadfast commitment to quality and sustainability. The plant strictly adheres to global manufacturing excellence standards, diligently implementing stringent quality control measures throughout the production process. Moreover, sustainability stands as a core guiding principle, with the plant actively working towards reducing its environmental footprint through responsible practices and resource-efficient processes.

The COVID-19 Disruption: Lockdown and Production Woes

As the government's nationwide lockdown took effect, it affected Gyration Tyre Ltd's supply chain, bringing it to a complete standstill. The seamless transportation of stock from the company's factories to auto manufacturers, an integral part of its operations, ground to an unexpected halt. Gyration Tyre Ltd, however, remained resolute in its commitment to sustain tire production even amidst the crisis. Nevertheless, the stringent lockdown measures forced significant constraints, limiting the company's operations to a mere 20–25% of its standard capacity. Despite these relentless efforts, a glaring absence of offtake for the tires persisted, resulting in the accumulation of the entire production output within the confines of the factory premises.

In the midst of this challenging scenario, Mr. Goal, the Production Head of Gyration Tyre Ltd, found himself confronted with the monumental task of managing this surplus stock. Recognising the urgency of the situation, he communicated the pressing storage space challenges to Mr Gill, the Plant Head of the company. The pandemic had disrupted the previously delicate equilibrium between production and demand, exerting immense pressure on the company's storage facilities.

This unexpected disruption underscored the critical need for new solutions and adaptive strategies to navigate these trying times effectively.

Auto Sector Sales Plunge: The Ripple Effect

The challenges faced by Gyration Tyre Ltd were further drawn out by the sharp decline in sales across the automobile sector during the months of March and April 2020, which sent shockwaves through the entire industry. Sales of 2W, four-wheelers (4W) and CV all observed a substantial and unprecedented drop, ranging between a staggering 80% and 90%. This sales slump was not confined to a single category but rather affected the entire range of vehicles, reflecting the severe impact of the pandemic on consumer confidence and purchasing power.

The automotive market, which typically increases on mobility and transportation needs, suddenly found itself struggling with a historic and unforeseen crisis. Even as May 2020 dawned, the sales slump showed no signs of abating, further exacerbating the challenges faced by Gyration Tyre Ltd. The weak and ambiguous demand for tires persisted, continuing to exert a relentless downward pressure on their prices. This protracted period of reduced sales not only stressed the financial health of the company but also forced it to reconsider its strategies and operations in a rapidly evolving market landscape.

Signs of Recovery: May-End and the Road Ahead

As the month of May drew to a close, there were subtle but positive signs of recovery on the horizon. The gradual reopening of tire sales outlets across the country offered glimmers of expectation for businesses, including Gyration Tyre Ltd. However, much like their counterparts, Gyration Tyre Ltd was not operating at full capacity despite the green shoots of economic revival.

The company found the situation of being constrained to running just one shift, a testament to the persisting challenges brought about by the pandemic. While sales offices had indeed reopened in most locations, the prevailing market conditions remained shrouded in uncertainty. It was a time of cautious optimism, where businesses had to tread carefully, balancing the urgent need to resume operations with the unpredictable nature of the market.

Then, came a significant development. The government, recognising the need to jumpstart the economy, announced a series of relaxations, effective from 1 June 2020. For Gyration Tyre Ltd, this announcement represented a potential turning point. The prospect of returning to full-scale operations was finally within reach. However, the company implemented prudence and foresight, recognising that the road to recovery would be a gradual one. Rather than rushing headlong into a full-scale production frenzy, Gyration Tyre Ltd chose to align its production levels with careful market demand predictions. These projections suggested that, while the worst may be behind them, the demand for tires was expected to remain below average for the probable future. This measured approach, characterised by resilience and adaptability, was a reflection of Gyration Tyre Ltd's commitment to navigating the uncharted waters of a post-pandemic business landscape.

Raw Material Challenge: Balancing the Books

In the midst of all the production and demand problems Mr Goal was dealing with, there was another big issue. It had to do with the raw materials and semi-finished products that were getting closer to their expiration dates. When they had to throw away the half-made stuff that had expired, it caused a really big problem. They lost a lot—80 metric tonnes, which is a huge amount, and it cost them nearly 24 crores. This loss was like a heavy weight on Gyration Tyre Ltd. It reminded them that the business world can be really hard-hitting, especially when things are not going well, like during a crisis. They knew they had to do something about it, and they had to do it fast.

They needed a clear plan to turn the raw materials that were left into finished products speedily. This plan could require not just to stop more losses but also to show how Gyration Tyre Ltd could adapt and stay strong when things got tough. They had to show that they could make quick decisions and use their resources well, even when things were really hard. This moment was a turning point that showed Gyration Tyre Ltd's determination to keep going, even when things were uncertain, and come out of it even stronger.

Mobilising the Workforce: A Human Resource Conundrum

Bringing the workforce back into action was yet another major challenge that needed careful handling. The production department relied heavily on having employees physically present but government guidelines limited the workforce to only 50% of what was considered normal. This created a significant bottleneck in resuming full-scale operations.

Furthermore, workers were in need of transportation assistance because public transportation was not available. Many of the casual workers hailed from its surrounding areas of the company. Their hesitation to return to work stemmed from various factors, including familial pressures and genuine fears related to the ongoing pandemic. The complexities of this situation were undeniable, demanding thoughtful solutions that would not only ensure safety but also rekindle a sense of confidence and motivation among the workforce.

Adapting to the Crisis: A Strategic Decision

In the middle of this complex and changing problem, Mr Goal had to make an important decision. Instead of running the production in three shifts like they normally did, they decided to have only one shift. The production process was split into six parts, and each part needed a different group of workers. But because there were not enough workers, they had to do one part at a time.

The downside of this approach was that each worker only knew how to do their own part and did not know about the other parts. So, they could not easily switch to doing a different job if needed. It was a tough situation that needed a smart solution to keep things running as smoothly as possible.

An Emergency Meeting: Charting the Path Forward

Recognising the urgency of the situation, Mr Gill, the Plant Head, convened an emergency meeting with key stakeholders, including the Production Head, Engineering, Plant Operations, Quality and Technical Teams.

Mr Gill: Good afternoon, everyone! Your presence here is appreciated. I hope you and your loved ones are in good health. I have some significant news to share. We have secured a substantial order from XYZ Ltd, encompassing 58,000 TBR Tires, 1,60,000 PLT Tires and 60,000 TBX Tires, to be delivered within two months.

Mr Goal (Production Head): Two months? Sir, given our current circumstances, how can we manage that? We're already operating at 50% capacity, and our casual workers are hesitant to return.

Mr Gill: Why are they reluctant?

Mr Goal: Fear of COVID-19, sir. Some are willing to return if transportation is provided, but they also want the same healthcare benefits as our full-time employees.

Mr Gill: I'll explore that. Nevertheless, considering our losses due to the pandemic and this new opportunity, we must fulfil this order.

Mr Kumar (GM Engineering): Sir, we're facing workforce shortages too, and getting vendor support for spare parts is a challenge.

Mr Gill: Can we arrange for a vehicle to collect spare parts from the vendor as needed?

Mr Kumar: Yes, sir, that's feasible.

Mr Adhikari (Operation GM): Sir, we're grappling with the supply of synthetic rubber. Ports are restricted, and we can't source goods from Malaysia. Shipping services are severely impacted.

Mr Gill: What's our current inventory?

Mr Adhikari: Only 45 days' worth, sir.

Mr Gill: And the lead time for resupply?

Mr Adhikari: 30 days, sir.

Mr Gill: That leaves us with just 15 days of backup inventory.

Mr Pandey (Technical GM): Sir, I can provide remote support from my team, who are working from home. I can assist with technical aspects, such as rubber mix and temperature requirements.

Mr Gill: Thank you all for your input. Despite the immense challenges we face due to the pandemic, we must remain optimistic and resolute in our efforts to fulfil this order. Let's reconvene next week.

As Mr Goal exited the meeting room, the magnitude of the challenges ahead seemed to hang in the air. The company, Gyration Tyre Ltd, erected at a crossroads, facing a complex and ever-changing set of hurdles. Managing a workforce operating at half-capacity, working with limited production shifts and dealing with the constant ticking of the clock, Mr Goal realised that the road ahead was not for the faint of heart.

The challenges were complex and relentless. The limited workforce meant that every pair of hands was irreplaceable, and the need for efficient resource utilisation had never been greater. With only one shift running, the production process had to be carefully composed to ensure that every step of tire manufacturing was executed immaculately. Yet, the most important challenge lay in the limited cross-functionality of the workforce. Each worker had specialised knowledge in their designated functional area, but the situation demanded adaptability. It required individuals to potentially step out of their limited zones and contribute in other areas as needed, a feat made challenging by the absence of cross-training.

Mr Goal recognised that these difficulties were a test of their organisational resilience as well as their operational skill when he thought about these difficulties. The decisions made and actions taken in the coming days would shape Gyration Tyre Ltd's path in the post-pandemic landscape. It was a tough task, but it was also an opportunity to showcase their mettle and emerge stronger on the other side.

Questions

- Q.1** Read the case carefully and discuss the problem. Identify the main three problems the company will face to meet the target.
- Q.2** How would you have dealt with the situation if you were in Mr Goel's position? Give a step-by-step solution.
- Q.3** How can market demand be met while remaining cost-effective in this situation?

Declaration of Conflicting Interests

The authors declared no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

Funding

The authors received no financial support for the research, authorship and/or publication of this article.

Book Review

Review of Professional Management:
A Journal of Management
21(2) 248–249, 2023
© The Author(s) 2023
DOI: 10.1177/09728686231217639
rpm.ndimdelhi.org



Jayant Sonwalkar and S. P. Verma, *Develop the Leader in You, Learn Corporate Leadership from Chanakya, World's First Management Guru*. Vikas Publishing House, Delhi, 2022.

Reviewed by: Yogesh K. Upadhyay, Director-Utkrushtha Management Consultants Private limited, Viman Nagar, Pune India

We have observed that generally, it is in the mind of the people that the management concepts including developing leadership skills have been propounded by the western management experts during the last about 200 years. We are been presented with the examples of modern business schools such as Harvard Business School and other top world business schools across the world and their teachings are taken as authentic and final.

But, we forget that our Ancient Indian Literature is evidence of establishing the fact that the management concept already existed in India even in our ancient times. A glaring example of this is in the book the *Arthashastra* of Chanakya, the great visionary, teacher, philosopher, economist, strategist, political thinker, kingmaker, jurist and royal advisor. His concepts of management including developing leadership skills have always been relevant. They are as contemporary today as of other modern management experts. On the other hand, they are more holistic and comprehensive in their nature.

In fact, the concepts of management as propounded by Chanakya are beyond time zone. His vision and thoughts were so ahead of time that they are totally relevant even in today's atmosphere and context. His book the *Arthashastra* can very well be considered as a bible or an ocean on management.

The concepts of Chanakya on developing leadership are so comprehensive, you will read in this book, that they encompass all the modern theories of leadership rather much beyond those. He has discussed various attributes of a leader in his book the *Arthashastra*.

While summing up the book, it can be very well said that Chanakya has said that a leader should have broadly *six qualities* viz. *knowledge, character, thinking capability, power to concentrate, communication skills and observation/vigilance*. These have been discussed in detail under the following five categories:



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- (i) Personality-oriented attribute
- (ii) Ethical attributes
- (iii) Administrative attributes
- (iv) Interpersonal attributes
- (v) Miscellaneous attributes

After reading the book, you will witness that the knowledge of Chanakya about the management is very in-depth, exhaustive and never-ending. His concepts on management, strategies, policies, HRM, training & development, finance, marketing, handling competition, corruption handling, managing calamities and office management systems are very exhaustive and contemporary. They seem to have been framed today. We can take the opportunity to use them for our day today's issues and problems.

The knowledge of Chanakya on the above subjects can help people of today and tomorrow in solving their various problems and handling different complex matters.

It is really very surprising as to how much visionary Chanakya was that he could cover all topics and subjects in a very holistic way in 3rd century BC (about 2,500 years ago) what we are handling today in 21st century. It will not be an exaggeration if we say that management has gone from east to west, that is, from Chanakya in India to the Western world.

The teachings of Chanakya on developing skills for aspiring corporate leaders discussed in this book are very exhaustive, inclusive and contemporary. Readers should make full use of them and develop the requisite skills and add value in their personality to become good leaders.

A worth reading book on *Corporate Leadership*.

'Leaders are made not born'.

Review of Professional Management: A Journal of Management

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