

A Study About the Business Policies and Practices in the Technology Sector Relating to Work Place Environment in Chennai Region

Dr. M. Govardhana Singh

Senior Accountant

O/O DCA, ZAO, CBDT

Chennai, Tamil Nadu, India

The Status of India

India is a country of growing and emerging market and it is a destination for international business as India developed business relations with many countries in the past and still pursuing for higher and new business activities. It is the world's largest democracy, managing its multi-religious, multi-ethnic, and multilingual diversity at an unprecedented scale. There is a great expectation from different parts of the world that India will emerge as the world's third largest economy at market exchange rates in the days to come. India has been selected as a global corporate research centre on account of its peculiarity in low cost innovation, low cost labour, marching ahead with entrepreneurial skills and developmental attitudes, and thereby changing the shape of international business.

Despite India's growing wealth, it has the largest number of poor in the world-one-third of the world's 1.2 billion people living in extreme poverty. India's population will soon overtake China's. India faces enormous challenges of education, training, and human development. It also faces daunting infrastructure needs, estimated at \$1 trillion over the next decade. Some 25 percent of Indians lack access to electricity-more than 304 million people, concentrated across rural areas. In today's globalized world, where information and a great deal else flows across borders, global literacy-the essential knowledge worker and skills are required for connected world for marching forward.

The Concept of Business

Every Business requires some form of investment and enough customers to whom its output can be sold on a regular basis in order to make a profit. Businesses can be privately owned, not-for-profit or state-owned. And Business Policy is the study of the roles and responsibilities of top level

management, the significant issues affecting organizational success and the decisions affecting organization in long-run. Values in business relates to the operating philosophies or principles that guide an organization's internal conduct as well as its relationship with its customers, partners, and shareholders.

Challenges in the 21st Century

The present day business challenges are divergent in nature and it can be summed up in a simple form like – Globalization, Cross border business, adoption and use of information technology, and Security issues. The challenges can be overcome with the help of **Knowledge Worker** as perceived by **Peter F. Drucker (1909–2005)**. He was a popular business and management thinker, and prolific writer on business management, entrepreneurship and economics. He was a Professor at the Graduate School of Management, Claremont Graduate University, and was a consultant. He was also awarded the Presidential Medal of Freedom.

Peter F Drucker predicted that the major changes to society would be brought about by *information*. He argues that *knowledge* has become the central key resource that knows no geography. According to him, the largest working group will become what he calls knowledge workers. The defining characteristic of these knowledge workers is the level of their formal education. Thus education and development, and to some degree training, will be the central concern of a knowledge society.

In the “*The Age of Discontinuity: Guidelines to Our Changing Society*” in the year **1969** he mentioned about the future management of business. He said that the manager as knowledge worker is a new breed of thoughtful, intelligent executive, who is paid for applying knowledge, exercising judgment, and taking responsible leadership within the organization. The knowledge worker thinks of them self as another professional. While dependent on the organization for access to income and opportunity, the organization equally depends on him or her.

The business environment is a testing environment to business in relation to keeping faith in the form of trust on the sides, harnessing the presently available technology and preparing for the future technological challenges, waiting for the ripe time of reaping the benefits and developing the skills of employees in the organization. Based on the literature available, this paper focuses on the challenges of business in the 21st century primarily on the work place environment and supported by the never ending technology wave in the country.

Work Knowledge and Environment

When it comes to managing employees setting the right tone at work is utmost important. Good environment makes employees to motivate themselves in their work with due care and diligence. By creating a positive work environment it will help yield better results not only for the company but also for employee's future well-being. The working environment should be a place of give and take which may be in the form of clarity in communication, listening to ideas, recognition of employees work and making them to understand the very important aspect of Trust in all possible forms. Knowledge on the part of employees can be gauged by two ways i.e. by way of formal education and the other one is experience. The experience in turn can be considered to be of personal in nature or learning from the experiences of others.

Normally challenges are partitioned into internal challenges and external challenges. The internal challenges are the back bone of the organization as men, money, materials, machines and methods are imbibed and should be used carefully for the growth purposes. The internal challenges can be studied in the form of *Physical Working Environment* which includes supportive working conditions, noise, light, temperate, movement of people and things, the Social Environment consisting of freedom in performing duties and individual decision making by way of supporting the overall decision of the organization, and *Environment of Work Well* being consisting of health and safety of employees which support the organizational objectives of increased output and growth of the organization. The extent of importance attached to the internal challenges by the organization helps in meeting the external challenges and turning everything for the positive aspects of the organization to a greater extent. Taking the above aspects into account, a sincere effort was put in finding the role of technology in the Chennai region and other connected business policies and practices for the safe and superior growth prospects of the business.

Nature of the Study

The captioned topic on "A study of Business Policies and Practices of Technology Sector in the Chennai Region" is a research paper undertaken in Chennai region. This paper deviates from the established path of research oriented papers, and a new insight is being conceived and brought into black and white and explaining how best the business challenges of the 21st century are being challenged and the way it has been capitalized fully. The outcome

of the research work is matched with the secondary data available which purely supports the results of the research in a very grandeur manner.

Objective of the Study

1. To understand the significance of work place environment in the business organization.
2. To study the opportunities available in terms of technology for the business growth.
3. To study the role of employees in the organizational growth activities.
4. To analyze the role of mobile wallet in the demonetization policy of the Government.
5. To look into the benefits of digitization.

Methodology

The present study is based on Primary and Secondary Data. The Primary Data is in the form of questionnaire wherein persons of responsible nature in the organization are contacted and the details are collected and systematically arranged. The Secondary Data consists of published reports from RBI, Industry Reports, Journals, Newspapers and Magazines.

Limitations

- The period of study is limited to five months duration starting from October, 2016 to February, 2017.
- Only IT related companies are taken in to account.
- The place of study is restricted to Chennai region only.

Analysis of Data

With the help of a simple statistical tool, the primary data were analyzed. It has been noticed that the outcome of the primary data are so astonishing and really speaks well about the factors that supports individual's growth as well growth of the business.

Table 1: Nature of Employees

Category	Response	Percentage
Young From 25 to 30 years	17	33
Middle aged From 31 to 40 years	15	29

Aged 40 years and above	19	38
	51	100

(Source – Primary Data – Questionnaire)

The above **table 1 - Guidance and Experience** - depicts the dominance of old people with 38 percentage, followed by young and middle aged with 33 and 29 percentage. In times of crisis, the experience of the old helps in navigating the problematic periods, but smoothly. On the whole, the growth depends on the knowledgeable aged people in the organization.

Table 2: Attitude of Employees

Category	Response	Percentage
Self-appreciation	24	47
Appreciating others	19	37
Criticizing others	8	16
	51	100

(Source – Primary Data – Questionnaire)

The **table 2 - employees' relations** - shows the attitude of workers which can be construed as *“forming opinion about themselves and others”* in the organization. Self-appreciation to the extent of 47 percentages, appreciating others and criticism occupies 37 and 16 percentages. The attitude of self-appreciation on the part of young in the organization shows clearly the dominance of younger people in the technology field. As time passes, and the availability aged people in the organization, the young ones will be advised in changing their attitude. This will help the growth on both the sides.

Table 3: Relationship with Colleagues

Category	Response	Percentage
Respectful	19	37
Supportive	15	29
Cordial	17	34
	51	100

(Source – Primary Data – Questionnaire)

The **table 3 - employees' relations** - shows that the respect given to employees occupies prominent place with 37 percentage, followed by cordial and supporting with 34 percent and 29 percent. Generally, everyone will be after respect, and the one who gives it will be benefitted a lot. We can say that there will be no room for conflicts and constrains in discharging one's duty in the work place and, largely, helps the growth of the organization in a smooth and swift manner.

Table 4: Treatment by Employer

Category	Response	Percentage
Very good	25	49
Good	21	41
Poor	5	10
	51	1000

(Source – Primary Data – Questionnaire)

In **table 4 - employers view about employees** - employer's attitude towards employees' shows in a very high sense of 49 percentage of very good nature, 41 percentage of good and 10 percentage of poor in nature. Employers are well aware of two things that support the growth of the business, namely, responsible workers and relevant customer data. Once both the aspects are balanced, the employer will be left with humongous profits and think of extending the business line to far off frontiers also.

Table 5: Work Place Behaviour of Employees

Category	Response	Percentage
Increases performance	21	41
Reduced employee turnover	8	16
Increases customer relations	22	43
	51	100

(Source – Primary Data – Questionnaire)

The **above 5 - functioning of employees** - shows the nature of behavior of employees in the work environment. Nearly 43 percentage relates to increased customer relations, 41 percentage towards increased work performance and 16 percentage related to turnover of employees in the organization. As the employers are treating well, it results in increased work

performance. Consequently it is reflected in the form of increased customer relations, for varieties of business products and services. The growth of business not only lies in the hands of customers but also the employees who interacts with the customers and introduces the products and services offered by the business.

Table 6: Employee Engagement in the Organization

Category	Response	Percentage
Time spent	21	41
Quality of decisions	19	37
Commitment to targets	11	22
	51	100

(Source – Primary Data – Questionnaire)

The **table 6 - functioning by employees and growth** - explains the amount of time spent by employees in the work place environment. It is seen from the above that by way of devoting more time it results in increasing customer relations and meeting the business targets within the stipulated time. We can also presume that these things are possible when the employer is giving utmost care and interest in the employees upward growth chart.

Table 7: Nature of Business Growth

Category	Response	Percentage
Training	22	43
Leadership	20	39
Communication	9	18
	51	100

(Source – Primary Data – Questionnaire)

The **table 7 - future growth** - projects that the growth of the business lies in dynamic nature of employees and there is a need for constant updating the knowledge about the prevalent business practices in the changing environment. That is purely, possible by way of training. Most of the people interviewed expressed that their organization is quite often sending them for training within the country as well as outside the country, whenever situation warrants. So training occupies first position with 43 percentage next leadership with 39 percentage and finally communication ranking third with

18 percentage. A well trained people will at some point of time occupies leadership position, thereby, leading the organization to a greater height.

Table 8: Nature of Business Challenges

Category	Response	Percentage
Largely internal	16	31
Generally external	35	69
	51	100

(Source – Primary Data – Questionnaire)

The **table 8 - Meeting Challenges of the Business** - demonstrates the extent to which the present day business operations are supposed to be navigated. It is a well-known fact that businesses should be run by knowledgeable and experienced persons. That will be possible, provided, they are in a position to foresee the future challenges in advance and be prepared for that. The information gathered reveals that most of the times, the external challenges are providing a way for using their might to overcome and landing in a safe zone of profitability. Hence, it is clear that the external challenges with 69 percentage and internal challenges with 31 percentage gives a challenging fight to the organization in the growth projection.

Table 9: Customer Data

Category	Response	Percentage
Very essential	30	59
Essential	15	29
Not so important	6	12
	51	100

(Source – Primary Data – Questionnaire)

The **table 9 - Backbone of the Business** - gives a clear picture about the importance of keeping the data pertaining to customers. In fact, they are the backbone of the business growth. All decisions of the businesses revolve around the taste and preferences of the customers, and also the timing of requirements. From the above, keeping of customer data is considered to be very essential and occupies 59 percentage, followed by essential of keeping the data with 29 percentage. Only 12 percentage of people opined that it may not be considered to be so important. Anyhow, from the experience, it shows

that keeping a relevant data in an orderly manner helps the business to grow in leaps and bounds.

Findings of the Research Study

The above analysis can be simply summarized in the following manner for having clarity about the outcome of the questionnaire. It goes like this. A mixture of experienced and young talented people are paramount important for running the business. Moreover, an experienced can guide the organization based on the knowledge acquired with regard to the business and the prevailing business conditions in the society. For performing the assigned tasks in the organization peaceful atmosphere is necessary.

At the same mental peace is also considered essential. As the employees are friendly, cordial and supportive and moreover they are also appreciating nature in relation to work performance and general behaviour, it will add a lot to good performance. Not only this, when the employer recognizes the employees and openly praising them, it further energizes the employees orderly thinking, designing their day to day work and more over showing an attachment towards the organization and employees.

The prevalent congenial state in the work place enables the business to meet any sort of posing challenges with the help of devoted employees. This kind of gesture not only helps the business to grow but also helps the employees to grow position wise as well as financial wise. Meeting the unexpected state of business environment will also become easy as the business is supported by devoted employees coupled with required customer data, the one which is the back bone of the business.

Capitalizing the Challenges

The primary data so collected and the analysis made can be matched with the secondary data that are available in relation to challenges of the business practices in the 21st century. The same is detailed under suitable captions and summarized below:

Table 9A: Secondary Data Supporting The Primary Data

A	New Product Development as a response to call of the nature	Table 1 to 6
B	Harnessing the Technology - Government policy initiative	Table 1 to 6
C	Challenges to be challenged	Table 7 to 8
D	Data preservation and dependence	Table 9

A. New Product Development as a Response to Call of the Nature

The effect of ensuing scorching summer season is portrayed in a simple tabular column for clear understanding of the proposed business strategy with the launching of new products to the consumers in the country. The exhaustive efforts of various companies and their projected sales and the introduction of new products are detailed below to have a glimpse of the same.

Table 9B: New Product Development – FOCUS

Forecast
This summer 2017 is likely to be hotter than usual, northwest and north India to experience temperatures about 1 ⁰ C higher than normal.
Growth Hope
Air conditioner, beverage and ice cream maker expect Sales to growth 15-20%.
Strategy
New products have already started reaching stores
Regional focus – Beverages and Ice Cream being launched in new flavours.

(Source: The Business Standard, Tuesday, 14 March, 2017)

There are tremendous opportunities for companies manufacturing Air conditioners, Beverages and Ice cream in the coming summer season. As the ensuing summer season is going to be too hot as per the Indian Metrological Department and Private Forecaster-Skynet, devising a time bound strategy will help in capturing the market. Considering this, they are hoping to get more sales (**which are mentioned in the Table-10**) in South and West region as hot season is already set in. Firms such as *Voltas, LG, Samsung, Blue Star, Whirlpool, Panasonic, Haier, Godrej and Videocons* have already placed their **AC and Refrigerator** products in stores.

Table 10: Expected Sales of Different Products

Ac	Beverages	Ice Cream
50-60 sales early	1/3 rd sales in a year	1/3 rd sales in a year

(Source: The Business Standard, Tuesday, 14 March, 2017)

According to Mr. C.M. Singh, Chief Operating Officer, Videocon Industries, there has been a good demand from parts of the south, Gujarat and Maharashtra for air conditioners and refrigerators.

Mr. Kamal Nadu, Business Head and Executive Vice President, Godrej Appliances said that they launched a new inverter AC with a price range of Rs.55,000 to Rs.60,000 with a 5.8 Indian Seasonal Energy Efficiency Ratio, which is a new energy table introduced by the Government. Apart from that it has unveiled the brand philosophy of “Soch ke banaya hai” to fuel its new communication strategy.

Mr. R.S. Sodhi, Managing Director, Gujarat Cooperative Milk Marketing Federation, which markets the Anand brand of dairy products, launched new ice creams and beverages, aimed at promoting regional flavours such as a Punjabi Kulfi and a Pure Mango Pulp-based Juice. Others such as Parle Agro, promoter of the Frooti brand, and Manpasand Beverages are adding more fizz to their juices. Coca-Cola and Pepsi Co are veering towards non-carbonated beverages this summer.

B. Harnessing the Technology - Government Policy Initiative Mobile Wallet

While banks have been primary drivers of digitization in payments, non bank players and mobile wallets started gaining significance over the last two to three years amongst customers and merchants. Mobile wallet players simplified the user experience for both customers and merchants in a significant manner. The growth picked up further by way of Incentives for customers, promotional pricing for merchants. The mobile wallet players seem to have been the biggest gainers of the demonetization event. Players such as Paytm, MobiKwik and Free Charge wasted no time in amplifying their communication to the people, offering themselves up as the solution to the cashless woes, Especially Paytm, which was out with full page ads in the leading newspapers the next day.

**Table 11: RBI: Prepaid Payment Instruments
(Inclusive of Mobile Wallets, PPI Cards and Paper Vouchers)**

10/2016	11/2016	12/2016
126.9 million	169.03 million	269.01 million

(Source – The Financial Express, Tuesday March 14, 2017)

Table12: Mobile Wallets (Mumbai, New Delhi and Chennai)

10/2016	11/2016	12/2016
99.57 million	138.09 million	213.11 million

(Source – The Financial Express, Tuesday March 14, 2017)

The details in the **table 11** and **12** are self-explanatory. The degree to which it has been used by the people shows a tremendous growth after the demonetization policy of the Government. It has simply changed India from cash economy to cash less economy. India has always been cash based economy, with e-payments contributing marginally to retail transactions in the country. The different forms of e-payments cards, wire transfers and real time payment services, have been growing in the range of 20 to 30 percent year on year over the last five years. Cash crunch as a result of demonetization further accelerated the growth of electronic payments and instruments such as cards and wallets. Success of Mobile Wallet depends on institutional innovation, regulatory innovation and overall consumer adoption.

Mr. Khushroo Panthaky, Director Grant Thornton Advisory, notes that around 30 percent of the total online transactions globally are conducted through m-wallets. The way to sustainable success for wallets going further is *“innovation, both on the tech platform and the products they provide. Innovating products, secured technology and ease in understanding the operational part of the mode of payment”* are the *critical factors* to accelerate growth in this line of business. Cash backs and rewards offered could be one of the prominent distinguishing factors.

Table 13: Currency in Circulation

Date, Month and Year	Currency (In Billion)
31.03.2016	16,634.6
04.11.2016	17,974.6
<u>08.11.2016</u>	<u>17,877.2</u>
09.12.2016	9,809.5
13.01.2017	9,508.0
10.02.2017	10,972.7
<u>03.03.2017</u>	<u>11984.1</u>

(Source – The Hindu, Tuesday, March 14, 2017).

The Reserve Bank of India lifted the restrictions on cash withdrawals imposed after demonetization effective from March 13, 2017. Currency in circulation as on March 3, however, was only **67%** of what was in circulation pre-demonetization. To some extent people were relieved from the problem of scarcity of cash for their day to day purchases and other important activities. So standing in the long queue for a long time to get meager amount is no longer required.

E-Wallet

The Paytm – the payment wallet major – is preparing for a journey to a numero uno position in the online travel space dominated by incumbents MakeMyTrip and Yatra. Based on the number of travel tickets it books, the Alibaba-backed company claims to be second to MakeMyTrip-Ibibo. The advantage Paytm enjoys over other online travel companies is a large user base and the opportunity to get a chunk of these users to book travel tickets. Right now there are 200 million users on the Paytm platform. A study by the Business Standard Research Bureau is given in the Table-14 which shows the growth in different segments of online activities.

Table 14: E-Wallet Payment

Online travel segments	2015 (in \$ billions)	2021 projections (in \$ billions)	CAGR (%)
Domestic Air	2.7	6.0	14
International Air	1.5	2.6	10
Domestic Hotels	1.4	10.1	39
Outbound Travel	0.9	3.3	25
Domestic Bus	0.5	1.5	22

(Source: Business Standard, Wednesday 22, March, 2017)

Consumer and Digital Influence

According to a report by Boston Consulting Group, India is poised to become the third largest country by consumption expenditure, driven by the rising upper-income households. The consumption expenditure gives rise to economic growth of India and in turn affects the digital area in a more positive way. The table -15 shows the influence on digital in relation to consumer goods.

Table 15: Digital influence on Consumer Goods

Sector	Year	
	2015	2016
Consumer Electronics	10-15	25-30
Fast Moving Consumer Goods	25-30	65-70

(Source: Business Standard, Wednesday 22, March, 2017)

Work Place for Growth

There is a general relationship between work place environment and growth of the business. **Mr. Jeffery Rodman, Co-founder and Chief Evangelist at \$2 Billion “Polycom”** emphasized that conference rooms are making way for cluster rooms for four to six people. Work is happening in all kind of places from homes to coffee shops and to overcome the problems of auditory issues, the video conferencing is supporting a lot for the business to function smoothly. Distances are reduced greatly for taking immediate decision by way of discussion without wasting time and energy as a result of technology advancement. The use of collaborative technology gives a helping hand to the organization in the form of secure video, voice and content. The competition in technology ranges from Skype, Face Time to Facebook and Whatsapp to communicate. Then there is **Virtual Reality and Augmental Reality**, these two things are creating challenges in the business environment.

C. Challenges to be Watched and Challenged Leadership Programme

Columbia Business School is launching for the first time an India relevant executive education programme on digital business leadership in partnership with Mumbai based Eruditus Executive Education. The Digital Business Leadership Programme is a six month session that includes three classroom based on campus immersion modules and two online modules. This programme which commences from July, 2017 is a global level for executives. This is the first time that a Business School is offering such an extensive programme on *digital disruption in India*. The key theme of this programme include understanding how to develop *“leadership abilities to lead digital transformations, engaging with customers’ changing needs in the digital age, and learning to innovate and understanding disruptive business models and strategies for mastering”* them. It is for two categories of people – **first**, for those who

are in the e-commerce or digital space and need to understand how to apply digital disruption to their business, and **second** for those who have a brick and mortar background but are facing competition.

Challenges of TATA

The challenges of TATA in the business arena are quite known to one and all. The reputation of TATA was in jeopardy due to some faulty decisions taken by the erstwhile leader/leaders in the TATA group. Now that has been smoothly solved by the cleverness of the present TATA sons **Chairman Mr. N. Chandrasekaran**. He has buried the hatchet with NTT Docomo over the buyback of latter's shares, signing an agreement with Volkswagen to develop new products with Tata Motors while closing the pension liabilities of employees of Tata Steel Europe effective from this month end. Steps taken by the present Chairman will go a long in restoring the *reputational damage* to the Tata companies in the eyes of the people in general and the business communities in particular, nationally and internationally. The positive effect of leadership position held by Mr. N. Chandrasekaran and wisely identified by Tata group is an excellent exhibit of identifying talent on the part of top levels in the Tata group. The following table reveals the extent to which the Tata companies fared in the BSE price as per the study of Business Standard Research Bureau.

Table 16: Tata Companies – Way Forward

Name	BSE Price (In Rupee)		% Change
	February 20, 2017	March 21, 2017	
Voltas	348.65	388.35	11.39
Titan Company	433.50	463.70	6.97
Tata Motors	455.50	473.35	3.94
Tata Global Beverages	141.50	146.00	3.18
Tata Power	84.95	87.65	3.18
Rallis	246.40	253.60	2.92
Indian Hotels	120.20	123.00	2.33
Tata Elxsi	1,471.95	1,502.10	2.05
Tata Steel	486.70	496.00	2.03
Tata Chemicals	568.90	578.40	1.67
SENSEX	28,661.58	29,485.45	2.87

Tata Group Market Cap (in crore)	845,884	854,665	1.04
Sensex Market Cap (in crore)	11,727,922	12,042,606	2.68

(Source: Business Standard, Wednesday 22 March, 2017)

Challenges of Software Services

In the present day circumstances, software companies are no longer a pride companies in India. This is being reflected in the form of poor market value of their share prices, the political uncertainty in US which projects a gloomy days for these companies and putting pressure on Price Earnings Ratio - return on equity. In terms of revenue earnings, the performances of Indian software companies such as *TCS, Infosys, Wipro and Cognizant Technology* companies are not up to the mark, considering the *inner potential of these companies*.

Table 17: Key Financials

Financial year	TCS	Financial year	Wipro	Financial year	Infosys	Calendar Year	Cognizant Technology
2011	8194	2011	6818	2011	6038	2011	6121
2012	10240	2012	7790	2012	7065	2012	7346
2013	11586	2013	6882	2013	7420	2013	8843
2014	13550	2014	7682	2014	8303	2014	10263
2015	15485	2015	7682	2015	8723	2015	12416
2016	17382	2016	7835	2016	9547	2016	13487
9M 2017	13165	9M 2017	6116	9M 2017	7656	NA	NA

(Source – The business standard, Tuesday 14, 2017)

From the above **table-17**, it is clear that the growth of revenue is not so high and there is a doubt whether it will continue to grow further in future on account of US policies, the largest export market for these software companies and the existing poor relations of US with China in the trade related matters and employment. It is but natural to see that the software companies are in a dilemma of how to make progress in this business field as there are more competitions and more restrictions imposed by the Government. The best way of meeting the challenge is to find out the countries where there are less restrictions imposed and possibility of growth avenues are larger in numbers.

Challenges of Hardware Sectors

In India the services account for more than half of the country's GDP for a long period. Much importance is given to manufacturing sector than to the Information and Communication Technology (ICT) by the Government of India. India's performance as a hardware producer has been dismal. The main objective of Homi Bhaba Committee set up 1963 in becoming self reliant in small and micro computers are far from sight. As a result growth in the technology field, namely, software and hardware shows a different picture which needs to set be right as early as possible by the Government. The position has been clearly explained with the help of the following tables.

Table 18: Value added in IT Industries

Year	Growth of Revenue (In Millions)
2000	2974
2014	19568

(Source – RBI reports, 2015)

Table 18: Value added in IT Industries

Year	Growth of Revenue (In Millions)
2000	209
2011	775
2014	281

(Source – RBI reports, 2015)

Table 20: Raising Hardware Imports Imports of Electronic Data Processing and Office Equipment

Year	Value (In Millions)
2000	1413
2008	4481
2015	8293

(Source – RBI reports, 2015)

Table: 21 Exports of Computer Services

Year	Value (In Millions)
2005	15915
2008	35037
2015	55360

(Source: RBI reports 2015)

In the above four tables, **table 18 and 20** shows a negative picture and **table 19 and 21** shows a positive picture about the software and hardware status in the country. In the **table 22**, the rate of growth of the combined exports of software and IT enabled services in the country is not so appreciable one. Efforts are necessarily to be put in to secure the fullest benefits from these services.

Table 22: Rate of growth of the combined exports of Software and IT enabled services in the country

Year	In% Rate of Growth
2012-13	20.8
2013-14	14.9
2014-15	7.3

(Source: RBI reports 2015)

There are divergent views about the development of hardware base as well as **the Information and Communication Technology sector (ICT)**. Due importance should be given to this sector considering the spread of mobile telephony and the substitution of communication devices. Overall imports of ICT hardware into India have soared, especially after the boom in mobile telephony. India's participation in the field of software and IT-enabled services exports has been remarkable, that growth has not just been slowing, but going downwards in light of the dismal performance of the country in hardware productions. An emerging problem is that while India's foreign exchange outlay on importing computer hardware is rising sharply, earning from software and ITeS exports is slowing. It is time to take a strong decision in improving the present situation.

Challenges of China with US

China has warned of a trade war with the US if the Trump administration decides to ignore WTO rulings and unilaterally imposes tariffs on its goods. The US administration said that it will impose 45 percent tariffs on Chinese goods, and the China reacted by saying that China and the US are

interdependent, and bilateral trade relations affect not just the two countries but the world.

When the diplomatic relations started in the year 1979, the trade relations increased to 207 times to the tune of \$519.6 billion in 2016. China receives 26 percent of Boeing orders, 56 percent of US bean exports, 16 percent of automobile exports and 15 percent of integrated circuit exports.

However, the balance of trade is heavily tilted in favour of China as US exports amount to about \$100 billion. A trade war is not in the best interests of the two countries and peoples because a trade war only does much more harm than good.

The US economy and the World – a Positive Sign

The steps taken by the **President of US** in protecting the people from employment and income may affect the growth of Indian business entities having relations with the US market. **It will be subsidized in the days to come, but sure.** For example, as per the recent survey America's Labour Market is getting better as Employers added an-above forecast **235000 positions in February 2017**, while measures of **"joblessness and underemployment"** improved. **Wage growth** picked up and the **share of prime age (which covers people of age 25 to 54) participation rate.** Americans in the labour force rose to the highest since 2011. For example, it was **80.6% in September 2015**, and rose to **81.7% in February, 2017** after Donald Trump's assuming office of US President.

Analysts expect wage gains to gradually accelerate further, which will strengthen consumer spending, the principal driver of economic growth, amid a first quarter that's looking tepid. Goods producing industries, which include mining, construction and manufacturing, added **95,000 jobs in February, the most since 2000.** According *Gregory Daco, head of US Macroeconomics at Oxford Economics in New York* there are three things that supports for the growth of labour market in the US. The weather sensitive sectors added about **75,000 jobs in February, Constructions jobs rose by 58000**, the strongest gain in almost a decade, and followed a **40000 increase in January 2017.**

D. Customer Data Preservation

Nowadays the business activities are fully customer-centric one. Customers are the **pillars** for the business growth. The customers' perception about our business practices, products and services and their reactions should be kept in such a proper analyzing manner which will provide a lot to devise our business plans in a more beneficial manner, both for the customers as well as

for our business. Information on what customers purchase, how many times they contact customer service, and how long they linger on a given website can create an insightful narrative about buying habits and preferences. The data about customers buying histories, behavioral data, and surveys to understand the typical purchasing path for our products is a must to see the new level of business growth. The method of advertising to be followed for our products can be arrived at based on the customer data available with us. Selection of the suitable method may also reduce our expenditure which will have a direct impact on the profitability of the business.

Conclusion

In the foregoing pages we have seen the various business challenges which gives an opportunity to show their might in meeting these challenges with their renewed efforts in terms of new products and also equipping the human capital in the form of providing training and thereby developing leadership capabilities for the growth of the business. A proper basic planning is quite often considered essential for this purpose. As the business challenges are beyond human control, the only way is to prepare for it in all possible times. This alone will help in capturing the leadership position in the market. The ground reality is that the prevailing work environment alone will make or mar the growth of the business in this turbulent environment. So, people at the higher level, must in all possible ways, take utmost care in creating a good work life balance by way of providing a congenial, cordial and cooperative work culture.

Reference

1. The Reserve Bank of India, (2015), Indian Economy and IT, Mumbai, India.
2. The Business Standard, (14 March, 2017, p-12-14).
3. The Business Standard, (22 March, 2017, p-8-9).
4. The Hindu, (14 March, 2017, p-8-13).
5. The Financial Express, (14 March, 2017, p-10-11).
6. Meera Seth (2017, March 8), what is your answer, Joseph? Business World, 178-182.
7. Sonal Khetarpal (2017, March 12), The companies to work for, Business Today, 46-49.
8. Sajal Boss, ((2017, January 16-29), Battle Lines are drawn, Business India, 76-77.
9. Dewang Neralla, (2017, February 27-March 12), Defining and Transformative, Business India, 52.
10. Shekhar Bajaj, (2017, February 3), Better Training and effective people management enables huge cost savings, Outlook Business, 90.