ISSN 2322-0767
Volume 1 Number 1, 2013

Journal of Commerce & Business Studies

ENVIRONMENTAL CONSCIOUSNESS, ITS ANTECEDENTS AND BEHAVIOURAL OUTCOMES[1]

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The paper attempts to investigate the term 'environmental consciousness' and identify the underlying components, its antecedents and behavioural outcomes. Based on extant review of literature, the paper brings conceptual clarity to the term 'environmental consciousness' – proposed here as a mental state variable, and to its linkages with the related variables. Depending on the level of environmental consciousness of consumers, greener consumer segments can be obtained and targeted to gainfully take green marketing efforts to the market inducing pro-environmental purchase behaviour.

INTRODUCTION

People in various parts of the world are becoming more and more concerned about the hazardous impacts of environmental degradation observed in terms of global warming, depletion of stratospheric ozone layer, acid rain and desertification etc.. At the beginning of the twenty-first century, these social and environmental consequences of the unquestioning pursuit of economic growth have become increasingly clear (Peattie and Charter, 1992) and as the environment continues to worsen, it has become a persistent public concern both in developed and developing economies.

The required responses to the heightened environmental concerns are, therefore, not simply confined to the environmental policies and government initiatives. Instead, businesses too need to commit to the environmental issues in their business decisions and be the part of the bandwagon termed as green movement. However, the motivation to adopt the concept of green movement in their businesses rests on consumers for demonstrating a high degree of environmental attitude which translate into environmental friendly purchasing commitment. The increased demand for green products could act as a pressure point on business firms to turn green and start marketing green products.

Besides, consumers themselves are also the contributors to environmental degradation and pollution. According to some studies consumption related activities of private households contribute thirty to forty per cent of current environmental degradation (Grunert, 1993), and so any environmentally responsible behavior on their part can go a long way in mitigating the problem of depletion of natural resources and bringing down pollution levels that have reached alarming heights.

Identification and targeting of 'green consumer segments', who exhibit some kind of pro-environment behavior in their use and consumption related activities is an important factor for considering environmental issues in business decisions. Investigating into the antecedents determining green purchasing behavior is, therefore, of particular interest to the researchers to suggest the market feasibility of eco-friendly product options and to

[1] The paper was originally published in Journal of Indian Business Research (ISSN 1755-4195), Vol. 5 No. 3, 2013, pp198-214. This republishing of the paper is a part of the services offered to the authors by Emerald Literati Network.

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UPDATION OF INDIA'S CORPORATE LAWS TO REALITIES OF 21ST CENTURY

J. P. Sharma[1]

The Satyam fraud has shattered the dreams of different categories of investors, shocked the government and regulators alike and led to questioning the accounting practices of statutory auditors and corporate governance norms in India. Severe corporate governance problems emerged out of the above-mentioned corporate wreckage. Many of the governance problems were noticed in several other such corporate failures in USA, UK and Europe. These countries reacted strongly to the corporate failures and codes & standards on corporate governance came to the centre stage. Corporate scandals especially in the United States triggered reforms in corporate governance, accounting practices and disclosures the world over and many countries have amended their corporate laws to keep pace with the changed world.

The long awaited Companies Bill, passed by both the Houses of Parliament got finally the nod of Hnble President of India and has also been notified. With the notification, Indian corporate sector will soon be governed by a new, modified law and bid goodbye to 57 year old Companies Act. The essence of the recently passed Companies Act is to totally overhaul the Company law with a view to promote self-regulation, eradicate unwarranted regulatory approvals, vest shareholders with greater powers and encourage greater transparency in the disclosures by corporate entities. The new law replaces the 1956 Act and consolidates a number of its provisions. It allows for a number of issues, currently specified in the Act, or its schedules, to be specified in the rules.

In the light of Satyam fiasco, many new and unheard concepts have been introduced in the new law that proposes sweeping changes to the existing company laws. Corporate governance is one aspect where heightened emphasis has been given in the law to ensure accountability of individuals at the helm of affairs of a company. The new law seeks to strengthen corporate governance by introducing new provisions related to independent director, rotation of auditors, class action, secretarial audit, insider trading and CSR.

INTRODUCTION

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The first attempt in the direction of company law reforms in India was initiated in 1993 when the Companies

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INDIRECT TAX REFORMS IN INDIA: TOWARDS NATIONAL GOODS AND SERVICE TAX

Niti Bhasin[1]

While the revenue significance of indirect taxes, particularly sales tax for the States in India is undisputed, there is a need for rationalization and harmonization of these taxes. This paper looks at the evolution of sales tax from the origin-based Central Sales Tax (CST) to Value Added Tax (VAT) and now to a proposed destination-based GST. To overcome the weaknesses of the sales tax system, including cascading and uneconomic allocation of production, VAT was introduced by the Government in 2005. VAT was seen as a move towards a more integrated market. To continue this reform process and evolve an efficient and harmonized consumption tax system in the country, the Government has now proposed a comprehensive Goods and Service (GST) tax. The introduction of GST is expected to end the long standing distortions of differential treatment of manufacturing and service sector. It will lead to the abolition of various Central and State indirect taxes and eliminate the cascading effects of multiple layers of taxation.

Key words: Sales Tax, Value-Added Tax, Goods and Service Tax

An outstanding development in the sphere of State finances since Independence has been the precipitous growth in the relative revenue significance of sales tax. Prior to tax reforms initiated in early 1990s, sales tax was characterised by a multiplicity of tax rate and exemptions, lack of uniformity across States, large number of exemptions and concessions, and differing procedures for tax collection. In mid-1990s, most states had agreed to phase out the incentive related exemptions and implement floor rates of sales tax. As part of the nation-wide efforts to redesign commodity taxation and the implementation of CENVAT at the level of the Centre, many States modified their sales tax regimes to launch a state level VAT (Value-added Tax) under the scheme prepared by the Empowered Committee for this purpose. The experience of implementing VAT has been quite encouraging. The new system has been received well by all the stakeholders, and the transition to VAT has been quite smooth with the Empowered Committee constantly reviewing the progress of implementation. Buoyed by the success of VAT, and mindful of the need for further improvement, the Government of India indicated in February 2007 that the country should move towards a national level Goods and Services Tax (GST). The move is designed for the success of VAT to facilitate the process of developing a national common market. In other words, the objective is to ensure that the Centre and all the States have a uniform rate of tax on goods and services. Central Sales Tax, being an origin-based tax, is inconsistent with the concept of VAT and needs to be phased out.

The aim of this paper is to trace the progress of India's indirect tax reforms from an origin-based CST to a proposed destination-based GST, while examining the implications of this transition for the economy, in general and for fiscal relations between the Centre and the States, in particular. The paper is divided into the five sections. Section I explains the importance of indirect taxes in India, particularly for the States, along with the trends in these taxes

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CROSS-BORDER ACQUISITIONS BY INDIAN MULTINATIONALS: AN EMPIRICAL ANALYSIS

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It is the discrete nature of acquisitions—the sudden transformation of two stand-alone companies into a single entity— that creates an exciting living laboratory to explore performance measurement issues. The aim of this study is to assess the performance of cross-border acquisitions and their impact on the acquirer firms especially when the target belongs to a developed nation like United States, Italy, Germany, France etc. and the acquirer is from a developing nation like India. Usually it's captivating to hear the news of acquisition being announced by an Indian company to acquire, a US based company because of the esteem attached to the big name of developed countries. This study aims to analyse whether this delight is enjoyed only by the general public or is shared by the owners of the acquiring firms as well in the form of abnormal returns. The main criterion of the current research was to assess the performance of the acquisition and their impacts on the return to the acquirer firms. The study investigated the Indian market and analyzed the performance of the acquirers between the period January 2000 and December 2008. The market model was used in the research to calculate the abnormal returns to the acquirers during the event window (-10 to +10). A sample size of 111 Indian BSE listed companies was taken into account, whose returns have been compared with the benchmark (BSE 500) returns.

Key words: Cross Border Acquisitions, Announcement Effect, Event Study

INTRODUCTION

Cross-border mergers and acquisitions (M&As) have gained popularity over the last decade. However, research on this type of diversification strategy has not kept pace with this trend. Acquisitions are assumed to improve the performance of the company through expense reduction, synergies, economies of scale and other factors. However, empirical evidence on the value added to the shareholders of the firms varies from positive to negative. Considering the limited research on mergers and acquisitions in Indian industry, the present research study has been aimed to investigate and test if there are any significant returns generated by the announcement of such acquisition. A petite endeavor has been made in this study to ascertain whether any gains accrue to the developing-country firms when the host is the developed country.

To measure the value creation accruing to shareholders, a model known as the Market Model was used to calculate the abnormal returns post-merger in the event period defined as 21 days around acquisition announcement i.e. 10 days before and 10 days after the announcement including announcement day. The market model assumes linear relationship between the stock and the market returns and therefore the security returns are regressed on the market returns which are surrogated by the market index BSE 500 to figure the parameters $\hat{a}$ and $\hat{b}$. These parameters were then used to gauge the expected returns of that stock if the event would not have occurred. After that, these expected returns were deducted from the actual returns during the event period to capture the impact on

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IMPACT OF EMOTIONAL INTELLIGENCE ON WORK PERFORMANCE: A STUDY OF FINANCIAL SECTOR

Sonia Kamboj[1]

Emotional Intelligence has a key role to play in determining the success of an individual at workplace. On account of evolution in the study of organizational behavior, there is an increasing need to study the emotional aspects of the human beings along with the other aspects. Financial sector is more customers oriented now days in order to meet the changing customer requirements. The present study seeks to explain the role of emotional intelligence in improving the work performance of employees in workplace with special emphasis on financial sector. Further the study also suggests some measures for improving level of emotional intelligence of financial sector employees.

Key words: Emotional Intelligence (EI), Work Performance, Financial Sector.

INTRODUCTION

For a number of years, it was felt that level of intelligence of an individual is the predictor of a person's success in life. But during the past few decades, it has been widely demonstrated that IQ is not the only predictor of a person's success in life. It has been found that EQ is an important measure to determine an individual's success in personal life and at work place. Human beings are not only motivated by reasons and intelligence, feelings also act as a motivating factor for individuals. Since emotions move humans to do things, some psychologists have compared them to the mainspring of a watch. Just as the hands of a watch would be motionless without the mainspring or battery, so would human beings be listless and accomplish little or nothing if there were no emotions to motivate them. (Menezes, 2007).

EMOTIONAL INTELLIGENCE: A CONCEPTUAL FRAMEWORK

The concept of Emotional Intelligence was introduced by Salovey and Mayer in early 1990's and became popular with the publication of "Emotional Intelligence: Why it can matter more than IQ" by Daniel Goleman in 1995. Peter Salovey and John Mayer, who originally used the term "emotional intelligence" in published writing, defined emotional intelligence as:

"A form of intelligence that involves the ability to monitor one's own and other's feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions (Salovey and Mayer, 1990)".

Goleman (1995) defines EI as "the capacity for recognizing our own feelings and those of others, for motivating ourselves and in our relationships". According to Goleman, IQ accounts for only about 20 percent of a person's success in life, balance can be attributed to emotional intelligence.

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PERFORMANCE MANAGEMENT SYSTEM: AN EMPIRICAL STUDY IN SELECT PUBLIC SECTOR ORGANIZATIONS

Shilpi Sahi

This paper discusses performance management system employed by public sector organization and how its employees rated the individual facets of the system, as well as their attitudes towards performance management. The results from the performance management survey showed that the system achieved its intended outcomes in public sector enterprises but its coverage is limited to only executives. Broad trends of performance management system were identified in the study. It was found that 'pay' is a least important element in the performance management system. Effectiveness in implementation process, outcome/use of performance appraisal data, and positive attitude towards PMS determined to be the important components for determining effectiveness of PMS.

Key words: Performance Management System, Performance Rating, Performance Evaluation, Public Sector Undertakings.

PERFORMANCE MANAGEMENT: A REVIEW OF LITERATURE

The first recorded use of the term 'Performance Management' is in (Beer & Ruh, 1976). Plachy (1987) described performance management as communication in which a manager and an employee arrive together at an understanding of what work is to be accomplished, how it will be accomplished, how work is progressing toward desired results, and finally, after effort is expended to accomplish the work, whether the performance has achieved the agreed-upon plan. The process recycles when the manager and employee begin planning what work is to be accomplished for the next performance period. Thus, Performance Management is an umbrella term that includes performance planning, performance review, and performance appraisal. According to Taylor and Pierce (1999), Performance Management System (PMS), involves the following cyclic activities. First, employee and supervisor agree on key result areas (or broad accountabilities) for the employee's job. Then, on a regular basis (typically a yearly cycle), they jointly set results-type objectives for the employee within those key result areas, and identify how progress toward achievement of those objectives will be measured. During the PMS cycle, the employee and manager track performance against objectives, with the manager providing support and coaching as necessary. At the completion of the cycle, performance against objectives is measured, and the employee receives feedback on performance and an overall appraisal rating, which is translated into a merit-based pay increase or bonus payment.

Performance Management has been already discussed as a cycle but in practice it consist of a number of interconnected but not necessarily successive processes which takes place throughout the year (Armstrong & Baron, 2008). It is a process for establishing a shared understanding about what is to be achieved, how it is to be achieved, and an approach to managing people that increases the probability of achieving success (Weiss & Hartle, 1997). Employee PM is an HR process that comprises a number of activities: setting employee performance expectations that are aligned with organizational objectives; regularly monitoring performance;

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