Preface

Sustainable development is the keyword for all future projects undertaken by developed economies around the world. It involves engaging in growth and development activities by balancing social, economic, and environmental needs of the day. Even then, sustainable development can create a sense of obstacle for rapidly growing economies. For example, unbridled industrial development might conflict with preservation of natural resources. However, long-term plans focusing on preservation of natural resources, heritage, and culture, practice of corporate social responsibility, and overall inclusive growth will ensure a much better livelihood for generations to come. Economic growth is one of the principal objectives of the developing world. The major precondition for attaining this goal, however, is the availability of infrastructure in the economy, both in passable quantity and quality. Infrastructure is considered as the wheel, if not the engine, of development. The deficiency of infrastructure will certainly hamper not only economic growth but also affect different facets of development like a country’s economy, social security as a whole, and sustainable economic growth, as well as business environments. In most developing countries (including India), the status of infrastructure (in all respects like market condition, banking, agriculture, power sectors, roads, service sectors, etc.) is low compared to the needs of the respective countries. While the demand of infrastructure is growing at a much faster rate, supply is more or less stagnant. This is mostly due to the rapid urbanization and globalization taking place across the world. The major reason for this gap is the non-availability of finance or a proper method of sanctioning project layout for proper business infrastructure. Lots of projects are either works in progress or in the queue. Within this context, the private sector is expected to provide the necessary investment through privatization and PPP schemes. Sustainable economic growth also depends on the maximum utilization of scarce resources in an efficient way. Probably, capital is one of the scarcest resources that aid the sustainable economic growth of any country. Recent developments in finance help in various ways to keep the progress of economic growth of a country. Besides this, modern financial management plays a significant role in financial decision-making and policy to enhance the economic prosperity of a country.

This book will focus on some of the most important contemporary issues in finance, like corporate governance, risk analysis, strategic financial management, etc. Recent developments in finance are anticipated to stimulate economic growth, create jobs, and increase quality of work life in the country.

The subject area covered in this volume is a combination of infrastructural development in different areas, like banking service infrastructure, especially on clearance service, e-commerce PPP model, infrastructure development, financial management techniques, socioeconomic aspects through tourism infrastructure, human resource and service sector rural tourism, and so on. In fact, the themes and the issues of the volume is very wide, ranging from managing customer knowledge management to infrastructure requirement for tourism development and from stress management in educational institutions to work attitude.
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This volume will present a variety of practical application tools, skills, practices, models, approaches, and strategies that are proving themselves in practice, demonstrating effectiveness with managing diversity and innovation. This volume will also present several visionary proposals for transforming societies, citizens, and professions so all concerned are better prepared to embrace diversity and do their part in creating valuable and necessary innovation that positively impacts the global community. The overall objectives and mission of this proposed volume are to share a different pattern of research work that will provide a platform for new avenues in overall infrastructure, socioeconomic conditions, modern business infrastructure, business automation, and financial aspects of modern businesses. This publication also provides some recommendations and policy implications to the government as well as private agencies, including NGOs intending to promote organizational infrastructure for consistent economic development and positive social change worldwide.

ORGANIZATION OF THE BOOK

The book is organized into 23 chapters. A brief description of each of the chapters follows:

Chapter 1

In light of the increasing number of corporate frauds worldwide, there is a growing emphasis on corporate governance. These corporate misappropriations not only destroy shareholder value but also act as a detriment to economic growth and social change. Therefore, investors look for companies with better corporate governance to maximize their returns. Still, this aspect of corporate governance has been largely neglected in the existing studies. Chapter 1 is therefore an attempt to address corporate governance and its effect on business performance in the context of economic growth and social transformation at the global level. It goes inside the black box of the financial matrix.

Chapter 2

The regionalization process in Jalisco occurred in the nineties leading to the decentralization of regions and formulating a regional development plan for each of them. Currently, despite the measures taken to establish regional plans, it appears that there are disparities in regional development, being the most affected, the North Zone of the State. The aim of Chapter 2 is to analyze a key factor, the ratio of the institutions with the development of the Northern region of the State of Jalisco, with a brief analysis of the role of institutions from economic, political, and social perspectives.

Chapter 3

This chapter deals the relationship between financial development and economic growth. In the first three sections of the chapter, the authors present the expansionary policies in the developed countries that led to increased capital flows in the last decades. Such an analysis was done through a thorough review of both empirical and other critical studies from distinguished academics. In the final section, a new financial system at the service of society and development with a case study for Greece is illustrated.
Chapter 4

This chapter aims to examine the role of intellectual capital in order to enhance the organizational performance of airline industry in Malaysia. Five components of intellectual capital, namely human capital, customer capital, structural capital, technological capital, and spiritual capital, were used to investigate the role of intellectual capital in airline industry in Malaysia.

Chapter 5

This chapter introduces the role of e-business adoption in the business world, thus explaining the concept of e-business, the significance of e-business, the application of e-business, the steps of e-business implementation, the advantages and disadvantages of e-business implementation, and the Critical Success Factors (CSFs) of e-business. E-business allows for the extended organization to be connected. This means that all employees, customers/clients, suppliers, and other stakeholders, regardless of geographic region, are interconnected.

Chapter 6

Intellectual capital is the most complicated element of management and the same is more important in any service sector including hospitality and tourism. Airlines, hotels, restaurant chains, and tour operators have been focusing on human resources for enhancing technical and functional qualities of services. Here, the study is confined to the measurement of service quality of Indian hotels in Kolkata through intellectual capital (human capital and structured capital) and its comparison with the physical capital over the years. Value Added Intellectual Coefficient Method (VAICTM) is applied for measuring the performance of hotels. Corporate performance through quality services of intellectual capital has been measured through profitability, return on equity, and sales growth. The findings suggest that the performance of a hotel’s intellectual capital can significantly explain corporate value creation through quality services.

Chapter 7

In this chapter, the authors discuss how the modern thinking of growth starts from the classicists. To the classical economists, limitedness of resources is the limit to growth. Neo-classicists transplanted the natural resources with the producible means of production – capital. Limitedness of resources is removed but it is replaced by the limitedness of operational structure – the firm size. The result is the diminishing returns to capital that shape the frontier growth. New growth theorists introduce the concept of generating “ideas” – involving human endeavour with its intellect. This is human capital – the seed of unlimited growth. However, this main story does not cover sharper niceties that are of paramount human interest. Issues of inequality and sustainability are some of these. This chapter is not any encyclopedic attempt. It only tries to cover some of the basic dynamics into which man has fashioned to understand his own destiny.
Chapter 8

Developing countries place a high priority on physical infrastructure development in different geographical regions of the country. Construction of buildings, bridges, roads, airports, and irrigation canals mobilizes a huge amount of diversified workforce from around the world. The number, type, and purpose of project personnel and their associates and relatives visiting the project sites and surrounding areas—from the project initiation to its post completion—are significant not only for the project’s outcomes but also for tourism development and service marketing.

Chapter 9

E-commerce is now not confined only to buying and selling goods and services over electronic systems; it also includes a wide variety of commercial activities like electronic fund transfer, supply chain management, Internet marketing, online transaction processing, inventory management systems, and electronic data interchange. Reduction of operating cost, increase in the speed of transactions, easy global reach to customers and vendors, and an increase in the market share are important reasons for the overwhelming popularity of this new way of commerce.

Chapter 10

PPPs are based on the implicit premise that the market stands for better efficiencies than the government and partnership with the private sector will provide access to its more efficient technical and managerial resources in addition to its capital. They have also been claimed to cut down on time and cost over-runs. This chapter, which provides findings from PPPs in highways from India, reveals that PPPs have multiple problems in their implementation. What is significant is that the public partners are responsible for many of these problems, although the private developers have also contributed through their manipulation of contractual obligations, land grabbing, and under-reporting of traffic to make illegitimate profits. A more active role of the state in the governance of PPPs, so as to make them more effective modes of delivery of services, is suggested. The chapter also recommends introspection on the philosophy of “single-size-fits-all” solution to address the infrastructure ills within any country.

Chapter 11

This chapter focused on growing Business Process Offshoring (BPO) services. Over the period, The Indian BPO market has grown manifold. The Indian BPO industry faces a unique opportunity to enhance its role as a full-service provider. At the same time, there is urgent need to address untapped BPO market opportunities in India. With the above backdrop, this chapter is an attempt to analyse the drivers of BPO services and barriers to BPO services, the job losses and gains, the strengths and weaknesses of Indian companies in BPO services, to identify India’s competitors in offshoring business activities, and to draw policy implications to gain from the BPO market using available theoretical literature. The chapter provides a detailed account of the capabilities, opportunities, and growth imperatives for the BPO market in India with significant policy implications for the stakeholders.
Chapter 12

This chapter explores tourism, which acts to promote the local economy, socio-cultural changes, and lifestyle of the people residing in and around in Bhutan. The purpose of this study is to explore the issues and challenges of tourism at Bhutan and find the impact of tourism to gain experience from art, culture, lifestyle, etc., which in turn create a tremendous impact on the local economy. In a pilot survey, it was observed that tourism in Bhutan has also improved its civic amenities like communication, sanitation, transport facilities, and standard of living for the people in general. This chapter emphasizes the concept of tourism, different issues, challenges related to tourism, as well as revaluing the effectiveness of development of socio-economic conditions of underdeveloped regions. The potentiality of tourism in the context of social development in particular and general is analyzed through the tourism appraisal model.

Chapter 13

In the modern age, customers are fully aware of their needs and requirements, expectations, and information technology-enabled services, and based on several factors, they are evaluating the quality of perceived services offered by their service providers as well as estimating their overall satisfaction with their service providers.

Chapter 14

India opened its stock market to foreign investors in September 1992 and has received portfolio investment from foreigners in the form of foreign institutional investment in equities and other markets including derivatives. It has emerged as one of the most influential groups to play a critical role in the overall performance of the Indian economy. The liberalization of FII flows into the Indian capital market since 1993 has had a significant impact on the economy. With increased volatility in exchange rate and to mitigate the risk arising out of excess volatility, currency futures were introduced in India in 2008, which is considered a second important structural change. This chapter examines the impact of the Foreign Institutional Investors (FIIs) on the exchange rate and analyzes the relationship between FII and Indian Rupee-US Dollar exchange rates.

Chapter 15

The aim of this chapter is to examine the destination marketing patterns via the use of e-tourism model to inbound tourists that had chosen their vacation destination via the Internet. The regions examined are the islands of Crete, in Greece, and Cyprus. Quantitative research showed that Internet provides significant tourism advantages dealing with prices and provision of information. Findings indicate that the use of Internet significantly influences the selection of transport and destination. On the other hand, the traditional marketing distributors still plays a crucial role in the promotion of the tourist product. Finally, the chapter formulates an e-tourism model that can be used for more successful marketing in island regions and suggests more efficient ways of using e-tourism in destination marketing activities.
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Chapter 16

Sugar industry has a very significant role in the economy of Uttar Pradesh. Its critical role can be easily visualized by its contribution to cane growers and a large number of employees working directly in sugar industry. During 2010-12, sugar industry in Uttar Pradesh paid about Rs.78.27 Crores as cane price to the growers and about Rs.15 Crores as wages to about 30,000 persons employed directly in the industry. The industry contributed more than 20.8 Crores to government exchequer in the form of cane cess and excise duty on sugar and molasses in addition to another sizeable amount by way of commercial taxes, income tax, and other levies.

Chapter 17

The FMCG sector with a market share of $13.1 billion has presently proved itself as the fourth largest sector in the Indian economy. In fact, rural India with more than 70 percent share of the total Indian population has emerged as the most significant FMCG market. During the last two decades, deregulation, globalization, and liberalization measures adopted by the central government have made a paradigm change in the FMCG sector. Both the foreign direct and portfolio investments in Indian FMCG sector in the post-reform period have notably influenced the financial performance of the companies belonging to this sector. Moreover, increasing presence of MNCs in the Indian market has forced the existing domestic companies in the FMCG sector to reorient their financial strategies in order to survive.

Chapter 18

This chapter focuses on market segmentation from a tourism perspective and highlights the importance of taking tourist motivation into account when targeting new markets. It examines different perspectives of stakeholders in order to capture the many factors that affect market segmentation, its relative importance, and the way in which market segmentation affects a tourist destination’s ability to successfully attract and retain a new tourism source market. This should help identify the impacts of market segmentation on the success of a tourist destination such as Barbados to attract a new tourist market. The chapter seeks to shed light on how market segmentation fits with the country’s commitment to tourism, and in turn how this commitment matches readiness of Barbados’s tourism sector to receive Brazilian tourists as a new source market.

Chapter 19

Disguised unemployment is the wastage of labour resource of a country. For a country like India that wishes to move towards a fast growth tract, disguised unemployment is a serious setback to the growth path. Several theoretical justifications have been provided to contextualize disguised unemployment. They all assume homogeneous production structure across firms. However, the informal sector in India is a conglomeration of different firm types. In India, the NSSO data subdivided firms into family enterprises (Own Account Enterprises – OAE) and commercially motivated (Establishment). The authors require
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a theoretical justification following this line. In this chapter, they generalise the argument provided by Georgescu-Roegen (1960) for this purpose. In this chapter, an attempt is made to measure surplus labour in the informal sector of India using NSSO data.

Chapter 20

This chapter aims at determining the importance of rewards and resources for staff-members having different continuum of work values, association of work value congruence with organizational facilities, and assessing the impact of interpersonal interactional opportunity on attitudinal responses of employees. Significance of a particular aspect of job and organizational arrangements are correlated; further, significance of difference in the correlation coefficient is measured. The study reveals significant effect of work-value orientation on response to autonomy, organizational facilities, and organizational arrangements in terms of job satisfaction, citizenship and retaliatory behavior, intrinsic motivation, and job-involvement in employees. The chapter suggests that appropriate match between dominant values in individual employees and corresponding organizational arrangements is one of the significant antecedents of job satisfaction and involvement in the employees.

Chapter 21

Quality generally refers to something done by human beings at a very high level of excellence, oftentimes in the sense of works of perfection as being distinctive from inferior to mediocre performance. This is the sense in which quality will be used here. There is another sense of quality as being a continuum from very poor to excellent.

Chapter 22

This chapter aims to explain the impact that social networking websites on the youth of India. Their usage pattern being the focus which would go on to establish the efficacy of usage of social networking websites to expand the business. The buildup of the chapter is not only theoretical but also provides an analytical opinion derived from the results of a study.

Chapter 23

The prime source of income of the different countries in the SAARC region comes from the agricultural sector. Currently, this sector is facing several challenges in this entire region, threatening its growth and sustainability. Hence, if the policymakers need to improve the economic conditions of the nations, then the only way to do that is to improve the agricultural sectors of this region. This can be achieved by suc-
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cessful implementation of Supply Chain Management (SCM). This chapter is concerned with the concept of SCM and how it can play a vital role in developing the agricultural sectors in the SAARC countries.

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