

Does Foreign Market listing results into Greater Foreign Institutional Ownership and Better Market Co-Integration: Evidence from Indian Companies listed on New York Stock Exchange

It is believed that foreign listing of the securities enhances liquidity of a company's stock on account of greater capital market interaction between domestic country and the foreign country where the shares are traded. Greater capital market interaction can take place in two ways. First, companies may cross list in the foreign capital market as Global Depository Receipts (GDRs) and American Depository Receipts (ADRs) and choose one of the foreign stock exchanges as their primary listing exchange. Second, foreign institutional investors can invest in these companies in market around the world. For present study, we have taken 10 reputed Indian companies which are listed on US stock exchange (NYSE). When companies list on U.S exchanges, they have to follow the stock exchanges and SEC requirements on disclosure. While there are many disclosure exemptions for foreign companies from the domestic rules, the level of disclosure required is generally quite high. Managers of these companies may voluntarily increase disclosure in domestic market to attract foreign institutional investors. Thus we predict that foreign market listing increases domestic voluntary disclosure which attract higher foreign institutional ownership and may result into greater co-integration between share prices of these companies in domestic and foreign stock exchanges. For the purpose of present study we have used Transparency and Disclosure survey developed by Standard and Poor's.

Key Words: foreign market listing, transparency, disclosure, foreign institutional ownership, capital markets interaction.

Himanshu Joshi
Assistant Professor
FORE School of Management
New Delhi

Vinay Dutta
Professor and Area Chair (Finance)
FORE School of Management
New Delhi

An Empirical Study on Intrapreneurship in India: Relationship with Organisation System, Rewards and Leadership

'An entrepreneurial firm is one that engages in product-market innovation, undertakes somewhat risky ventures, and is first to come up with 'proactive' innovations, beating competitors to the punch.' Intrapreneurship refers to employee initiatives in organizations to undertake something new, without being asked to do so. Competitive advantage derived from Intrapreneurship is also asserted to be sustainable and therefore becomes the essential element for the growth of firms. The identification of factors that foster Intrapreneurship in an organisation is important. The paper aims to explore the role of organisation systems, rewards and leadership on Intrapreneurship in an organisational setting. It was analyzed that there is a positive and significant impact of organisational Systems, Rewards and Leadership on Intrapreneurship. The findings of this study can assist organizations to develop

intrapreneurial mindset of employees with proper organisational systems, rewards and leadership policies.

Keywords: Intrapreneurship, Organisation Systems, Rewards, Leadership, Private Sector Managers.

Nidhi Srivastava
Professor
Institute of Professional Excellence
and Management, Ghaziabad

Shalini Srivastava
Associate Professor
Galgotia School of Business
Greater Noida

Causal relationship between macro-economic variables and stock market: A case study for India

In this research paper, attempt has been made to explore the relation especially the causal relation between stock market index i.e. BSE Sensex and three key macro economic variables of Indian economy by using correlation, unit root stationarity tests and Granger causality test. Monthly data has been used from April, 1995 to March, 2009 for all the variables, like, BSE Sensex, wholesale price index (WPI), index of industrial production (IIP) and exchange rate (Rs/\$). Results showed that the stock market index, the industrial production index, exchange rate, and wholesale price index contained a unit root and were integrated of order one. Granger causality test was then employed. The Granger causality test indicated that IIP is the only variable having bilateral causal relationship with BSE Sensex. WPI is having strong correlation with Sensex but it is having unilateral causality with BSE Sensex. Therefore, it is concluded that, Indian stock market is approaching towards informational efficiency at least with respect to two macroeconomic variables, viz. exchange rate and inflation (WPI).

Keywords: Granger Causality, Stationarity Test, Macroeconomic variables, Stock market index, Efficient Market Hypothesis, Indian Economy.

Dharmendra Singh
Associate Professor
School of Management Sciences
Lucknow

ENHANCING EFFECTIVENESS OF EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM: STRATEGY, ORGANISATIONAL CULTURE FIT MODEL

This paper discusses the evolution and development of employee performance appraisal system. Research suggests that there is wide spread dissatisfaction with the system. Nevertheless, most organizations use it because it serves several useful purposes and administrative requirements. It is being increasingly realized that performance appraisal fails to meet its goals as it is not in congruence with contextual contours of the organisation. The authors argue for achieving a fit of employee appraisal with organisational strategy and culture in order to enhance its effectiveness.

Key words: Evolution of Employee Appraisal System, Contextual Factor, Organisational Culture, Strategy, Fit Model.

Vinayshil Gautam
(Founder Director IIM-K, First
Head-Management Department
IIT-D), AAI_Sager Chair Professor
Department of Management
Studies, Indian Institute of
Technology, New Delhi

Jai Prakash Upadhyay
Joint Director,
National Academy of Training and
Research in Social Security
New Delhi

Microfinance - Trends and Strategies to Deepen and Broaden Outreach

Micro finance is a measure developed by the policy makers to enable access to high quality financial services by the poor. The current article explores the different ages of microfinance its position within the Indian financial system and the key trends and strategies that define the industry today and its future perspective. The dynamics of various delivery models of microfinance in India have been highlighted at length in view of changing economic scenario. The different trends and the policy recognition over the years have also been brought forward. The various innovative models of technology which can be used to standardize the process of microfinance have also been focused with a critical assessment of the impact of microfinance within the Indian financial system brought out the strengths and its weaknesses. Perhaps still efforts have to be made to create customized, composite and simplified system to enable the financial institutions to bring a vast segment of the underprivileged into the fold of basic banking services. This would augment our economic growth by offering financial literacy among the underprivileged and downtrodden segment of our society and bring them under the clutches of banking industry.

Keywords: Hedging instruments, Poverty trap, Strategic partners, Regional imbalances microcredit, On-Lending Finance.

T. Muthukumaran
Assistant Professor
Saratha Gangadaran College
Puducherry

Vijayalakshmi Magesh
Assistant Professor
Saratha Gangadaran College
Puducherry

V.K.Somasundaram
Head, PG and Research
Department of Corporate
Secretaryship, Bharathidasan Govt
College for Women, Puducherry

CORPORATE SOCIAL RESPONSIBILITY (CSR): A Waffle or Way of Life (A Special Reference to Business Organizations in the State of Chhattis garh)

Corporate Social Responsibility (CSR) means putting something back into the society or giving back to the society. An organization has an active interplay with the society. They are interdependent on each other. A business organization is supposed to be morally responsible towards its stakeholders as consumers, employees, government, community and so on. It can be safely argued that the country appears to be experiencing a paradoxical situation. The foreign reserves are going up but many of the families are still living hand to mouth. There is a big room for improvement for the stakeholders particularly the corporate sector to augment their concern for CSR for the welfare of the people at large. The paper in question contains the findings of the study undertaken with a view to improve upon the CSR scenario in the country.

Keywords: Corporate Social Responsibility, Stakeholders, Corporate Governance, Community Development, Non-Governmental Organization.

Prologue “Welfare of community is linked with corporate success and is the duty of corporate community, no more no less.” –Ratan Tata

Harish Kumar
Professor
Business Administration
Guru Ghasidas Vishwavidyalaya
Bilaspur