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**TKM INSTITUTE
OF MANAGEMENT**

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The Legacy of TKM College Trust

The TKM College Trust was founded by Janab A. Thangal Kunju Musaliar, a successful industrialist, philanthropist and businessman. Born in a middle class family on 12th January 1897 at his ancestral home in Kollam. Janab Thangal Kunju Musaliar built up a vast business empire which dominated the cashew export trade in the 1940s and 50s. As a man of extra ordinary vision, he foresaw the tremendous importance of education and this led to the establishment of the TKM College Trust in the year 1956. T.K.M. College of Engineering, the first private Engineering College in Kerala, was set up by the Trust in 1958 followed by the T.K.M. College of Arts and Science in the year 1965. Janab Musaliar passed away on 19th February 1966 after an illustrious career that paved the way for advancement of professional education in Kerala.

True to the vision of its founder, the TKM College Trust has, over the years, added several other educational institutions to its fold - The TKM Institute of Management in 1995, The T.K.M. School of Communication & Information Technology in 1996, the T.K.M. Centenary Public School in 1997, the T.K.M. High School and T.K.M. Higher Secondary School in 2000, the T.K.M. Institute of Technology in 2002 and the T.K.M. School of Architecture in 2014.

Today, the dream of the late Janab A. Thangal Kunju Musaliar of uplifting society through education has to a large extent been fulfilled. His life exemplifies greatness in its true sense. Several of his initiatives, innovations and achievements are standing monuments in the changing national and global scenario. No wonder that the Government of India has thought it fit to issue a commemorative stamp in recognition of the services of this great man in 2001.



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NEED OF EMOTIONAL INTELLIGENCE IN SMART EDUCATION

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ABSTRACT

In this 21st century, the education has become smart with the help of technological advancement. The pace is tremendous that the present education system and setup cannot cope with it. The modern day teachers are yet to be acquainted with the 'new gen' smart education system. The struggle is on. While speed is good for the growth, as the technology changes every second, it is very difficult to keep track of it. News in the social media today becomes obsolete the very next day. Due to these pressures, students are unable to cope with the stress thus becoming a major factor affecting the productivity of students. The major factors for building up the stress would be the competition, money and fame. Parents and Teachers exert pressure on children to get high marks to get higher jobs there by getting high salaries. Along with it are the mounting living expenses and the craze for the luxury life styles. The value system that was passed on from generations to generation by means of storytelling and face-to-face discussions are all a thing of the past. The advancement of technology is good but the same technology can disrupt the thinking pattern in many ways causing irreversible damages to the wards. The attempt made here is to make a study of stress due to smart education on students and to arrive at a need for the emotional intelligence techniques to help the students stay on track and improve their productivity. Each individual is unique and they see the world based on their own experiences. We should bring up people to respect others and their feelings. In any situation, the pressure, the tension and the stress bring an effect on all forms of our life; be it in studies, work, family, friends and any other social interactions. The attempt made here is to analytically evaluate how this affects their lives and to decide on the best emotional intelligence practices to give a positive outcome in one's personal and professional life.

Keywords : Emotional Intelligence, Stress, Students, Education, Smart, Productivity

I. INTRODUCTION

The smart education and social sector has increased the pressure on all of us, including the educational institutions. Globalization, short product life cycle, do it right first time, quality and cost are some of the reasons for an increase in pressure to perform. Students are under severe pressure from different angles. They know that if they don't perform they

will be left behind in this constantly changing technology world. The expectations from family and relative circles are putting a heavy toll on students in addition to the bodily and emotional changes undergoing in them. Comparison with peers and other groups are regular in nature which imparts the depression in them. In Kerala, the professional college pass percentage is approximately about

40% and out of which only 20% are employable. This low pass percentile could be due to various reasons of pressure, stress and tension. At the same time, advancement of technology is a promising factor for the humanity, industry and the world. Technology has made things faster to perform. It pushed the expectations very high. This trend will increase day-by-day and it is not far away that the schools and colleges will vanish. We have to prepare well to adjust and adapt to accept amicable changes and support systems to help our kids perform well under healthy conditions. This article attempts to analyze the pros and cons and thereby how practicing EI-Emotional Intelligence can help all of us to live a healthy life and influence others around.

II. SMART STUDY - AN INSIGHT

The style and functioning of class rooms has been already changing. The old black board has been replaced by overhead projectors and TV screens. The laptop/desktop/tablet combination can easily connect to the projectors and TV screen with the help of Wi-fi and/or network cables. The assignments are submitted online. The face-to-face evaluations are done through video conference calls. Sitting in the class has become boring these days. Smart video presentations are the medium today. Connecting the study materials with visuals and games have become popular.

They help the students recollect the content of the class in a much easier fashion. E-books have slowly started replacing the traditional printed books.

Many practical labs can be simulated through relevant software packages. They are available as 'Apps' in the Smart phones. Teachers have to create video sessions in their own web space and make it available for students to watch and respond with case studies online. This enables the students to watch the video at their own time window. All questions can be posted online and the teacher can reply later. If required, the student can request for an online clarification session or a face-to-face session. This technological advancement reduces the physical infrastructure needed thereby making a huge saving on the educational institution setup. It is important to note that there are many disruptive technological thinking that have shut down many businesses overnight. An example would be the printing presses who have slowly moved on to digital copies from the printed ones. All of us are slowly changing and in the near future, our classrooms will be our own homes.

III. STRESS - AN OVERVIEW

Social media has brought a flow of data and information to all of us. The smart phones have caged us. Multiple and random source of data and information

will make us restless and would be unable to take the right decisions. Stress in students is often induced from many angles. Different angles where stress can occur are Bodily/Hormonal Changes; Parents; Peers; School; Entrance examination coaching institutions; Teachers; Industry

On reviewing the various journals, especially the one published in 'Science Direct and Study', conducted by Harvard University reveals that during puberty, both Boys and Girls undergo emotional conflicts based on decisions and most of the time, there will be a flare up of emotions.

The Family pressure includes competition, scoring high marks and moving on to reputed colleges with scholarships and to get selected in the campus recruitments. Peers put the unknown pressure as they are compared against each other. Rather than creating a helpful mind set, friends would hide facts and information from sharing. The schools would want their status to be kept high which in turn adds pressure on their students. Entrance coaching institutes have their take to project them as the premier institute. Teachers would want their wards to come onto the top. Finally, fear of unemployment will bring on even more pressure.

Figure 1: Life cycle of productivity loss



Fig. 1 here shows the life cycle on how expectations to perform always put the pressure.

Continued pressure becomes stress. Stress relief does not happen on a daily basis and so, it piles up making the body and mind suffer. It turns out as depression. The expectation on future incidents will always create pressure. We should learn and encourage students to live in the present. Let the future happen. Let us learn from the past. We need them to concentrate on the present.

IV. EMOTIONAL INTELLIGENCE – AN OVERVIEW

We all live in a transaction-based world where one transaction leads to another. To understand, to prepare and to respond back with an aim of success is the ability that we should nurture in students. If you are a better EI person you will have the ability to win them quickly with a smile. EI requires that, a person should understand self-emotions, know others emotions, manage self and others emotions and should be able to control the outcome with a timely response such that the transactions stay alive. Others' interest on us depends on the kind of response that we provide. If that response is in line with their thoughts, then the conversation or transaction would progress and finally reach the desired destination/decision.

V. BENEFITS OF SMART STUDY

The pace of technological advancement certainly has huge benefits. Let's discuss a few.

- a. Visual representation: Compared to the traditional book-based study, the new trend is to make stories, visual and game-based videos to describe a particular point. This provides both the students and the teachers an open platform to share and understand easily thereby reducing the stress.
- b. No Dead line: There is no dead line for the completion of a session. Students can view it as per their own schedule and update the site with follow-up questions and answers. Teachers also gets the freedom of time to evaluate the updates from the students.
- c. Reduces peer pressure: In a classroom, there is always a peer pressure to answer/question/respond to any situations. Since you are away, that will reduce the peer pressure and all of them will participate in the discussions.
- d. Low Luggage: Since all the books and related materials are all in a small pen drive, there is literally no luggage to carry.
- e. Global interactions: Universities and colleges can now collaborate and

share experiences with international institutions easily. This will reduce the cultural gap as well as the knowledge sharing gap internationally. This also saves a lot of money used for overseas travel.

- f. Internet and bandwidth infrastructure : The institute will invest more to improve the Internet bandwidth infrastructure as they cannot stay behind at any cost.
- g. Innovations: This will certainly promote innovations as we share more knowledge locally and internationally.
- h. Industry ready resources: More sharing means more knowledge and interactions locally and internationally which enable the students to know and respond to the industry problems and thereby become industry ready resources.
- i. Repetitiveness: The same topic can be revisited any number of time without anyone's help. This reduces the cost of reproduction, storage and availability.

VI. SIDE EFFECTS OF SMART STUDY

Technology and pace also brings in some side effects. Let's discuss few in here.

- a. Nomophobia: is the proposed name for the fear of being out of cellular phone

contact. The Symptoms are: anxiety, respiratory alterations, trembling, perspiration, agitation and disorientation. The Emotional symptoms are; depression, panic, fear, dependence, rejection, low self-esteem, loneliness.

- b. Lack of concentration: The Internet will knowingly or unknowingly distract oneself to other topics and areas as we browse through. Extreme concentration is required to stick to what we wanted.
- c. Authenticity of Data and Information: The Data and Information is surplus in the Internet. It is very difficult to identify the good and the fake. Extreme care shall be taken to get to the genuine materials that are authorized by the authorities.
- d. Losing relationship: Since we concentrate more on to the smart devices, it is an automatic tendency to be alone thereby forgetting the warm relationships. Campuses are known for the intense friendships. Smart classrooms will slowly reduce the actual friendships. The virtual friendships will be there as usual.
- e. Loneliness: To keep away from boredom, we depend on smart devices. This will keep us away from real friends. Due to this, loneliness and depression can occur.

VI: EI TOOLS AND TECHNIQUE

EI provides a few tools and techniques that we shall practice at all levels of people.

- a. Smile: We always look down to the phone. While walking, let's look up and see around. Smile at people pass by. Wish them with a smile that lasts until they cross over.
- b. Know yourself (and them): Learn that we are all unique, including the environment. Study and understand both of us and accept each as it is.
- c. Manage you (and them): Once you

know both sides, we can easily predict how they are going to behave and thereby adjusting our response.

- d. Use Humor: While making a point, use humor and the way they understand. This makes things clear at both sides.
- e. Get-together: Have a get-together weekly and share the experiences.

VII: PRACTICE EMOTIONAL INTELLIGENCE

Fig. 2 below shows how EI can help adjust our emotions to reduce the stress and help control the depression.

Figure 2: EI Cycle



- a. Understand and control self: Every individual is going through a wave of emotions on each transaction. Each one of us would have strengths and weaknesses and they need to be identified. Seek help from counseling professionals if unable to identify.
- b. Understand and manage others: Why are they behaving like this? It might be because they are under stress. They have been going through a difficult time. Understanding emotions of others would help respond with better empathy.

- c. Respond than react: Reaction often is a spontaneous action based on others actions or statements. Prepare ourselves to respond with facts, figures and compassion. Always prepare yourself to respond than react.
- d. Manage Situations: Understand the situations of both parties to ensure that you are in control of your emotions. This can save a lot of energy, time and make our life stress free.

VIII: CONCLUSION

Smart education is promising. It should be encouraged at all times. At the same time, we should enforce control on it. The fact is that stress is harmful. Stress is a major factor in almost all diseases today. We should not grow our children as furnaces of stress. Stress has to be controlled by practicing EI. Every school/college/working place should have an EI session once every week. Specially, EI trained teaches should conduct the sessions. We must understand and manage our surroundings well such that we would have the liberty of having a better job, better health and a better family.

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IMPACT OF QUALITY CIRCLE ON PRODUCTIVITY OF EMPLOYEES: A STUDY OF HOTEL INDUSTRY IN THE DISTRICTS OF KOLLAM, TRIVANDRUM AND ALAPPUZHA

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ABSTRACT

Tourism, as an economic activity, has a growing importance. This is essential for the development of not only a particular region, but also national economy as a whole. The key marketing aim is generating satisfaction among the tourists. In the present world it is better to have quality circles in the organization. Quality circle plays a vital role in improving the productivity of employees there by increasing the satisfaction of the tourists. The research was done in the districts of Kollam, Trivandrum and Alappuzha. The main objective of this study was to find out the impact of quality circle on productivity of the employees in hotel industry. The researcher also studied about the opinion of male and female on productivity and quality circle. This descriptive study was conducted through a survey method. The sample of employees was taken randomly from the population. The researcher has done the analysis with the help of t-test and regression using SPSS 20. The researcher found that there is no difference in the opinion of male and female employees on reaction to productivity and quality circle. It was also found that there is less impact of quality circle on productivity.

Key words : *Quality circle, Productivity, Employees, Hotel, Kerala*

I. INTRODUCTION

Kerala is one of the most popular tourism destinations in India. The state is gifted with many tourism assets such as beaches, hill stations, backwaters, national parks and wildlife sanctuaries. However, the key to tourism success has been the quality in service and satisfaction of the tourists. In order to beat the competition in the tourism, especially hotel industry, the employees of the organisation have to come up with the best of the strategies. These strategies are

adopted to retain the tourists and this can be achieved through efficiency in creative service delivery. Thus quality services are to be rendered by the hotels and it should be worth the price. This helps to increase the brand image of the firm. Quality Circles are problem solving teams which use simple statistical methods to research and decide on solutions to workshop problems. Quality service helps to maintain customer satisfaction and loyalty and reduce the risk. Productivity is an average measure of the efficiency of production.

II. LITERATURE REVIEW

David L. Shores(1984) conducted a study in the relationship between Quality Circles and Job satisfaction. It says that, participation in Quality Circles develops commitment and motivation in employees to serve the clients better. This in turn will help the employees to attain job satisfaction. Roger Carter (1990) has written in his foreword that the major challenge for the next decade is to recruit, retain and train the staff to deliver quality of service. Training and initiative in quality service delivery have a vital role to play through which customers achieve satisfaction and they spread positive word of mouth.

J. Barsky (1992) in his article, “Customer Satisfaction in the Hotel Industry: Measurement and Meaning” observed that customer satisfaction is considered to be one of the most important outcomes of all marketing activities in a service firm. This is important to expand the business, to gain a higher market share, and to ensure that the customers avail the service repeatedly. This leads to improved profitability of the firm in the highly competitive scenario and success in the market.

T.G. Vavra (1997) in his study “Improving your Measurement of Customer Satisfaction” says that all the organizations are interested in maximizing customer retention and loyalty. The customers who are satisfied

and those who continuously avail the product or service need not be loyal all the time. The consequences of satisfaction cannot be determined. He says that satisfied customers are not always the most loyal customers and vice versa. Shantanu Welekar, Shantanu Kulkarni (2013)in their study deals with various aspects of Quality Circle and how improvements can be made by adopting practices of Quality Circle in various industries. The study presents a comparative discussion on various features of Quality Circle, Quality Improvement Group and Work Group/Project Team. The paper illustrates the effectiveness of QC approach. The conclusion for this study was that the Quality Circle technique proved to be very effective for the problem selected by the quality circle members.

III. STATEMENT OF THE PROBLEM

The marketing of hotel industry is a major contributing factor to the growth of tourism sector in Kerala. For the effective marketing of hotels, it is essential that different aspects of service are managed in tune with the changing habits and desires of the customers. This may be helpful in offering and marketing the tourism service. The organization should support the quality circle for upgrading the Knowledge, skills and abilities of the employees, reducing the cost, improving relationship with management and

ensuring an overall better working climate. If the organization is not implementing quality circle correctly, then the organization may face serious problems in boosting the productivity of employees and to satisfy the customers.

IV. OBJECTIVES

1. To identify the opinion of the male and female employees on productivity.
2. To identify the opinion of the male and female employees on quality circle.
3. To study the impact of quality circle on productivity of employees.
- 4.

V. HYPOTHESES

1. There is no difference in the opinion of the male and female employees on productivity
2. There is no difference in the opinion of the male and female employees on quality circle.
3. There is no impact of quality circle on productivity of employees.

VI. NEED OF THE STUDY

Managing quality is very crucial in a service sector like tourism. There is a need for undertaking rigorous studies on the hotel industry in Kerala for assessing the optimal potential of Kerala as an attractive destination of tourists. The services rendered by the hotel industry, if properly marketed would add to the

resource generation capacity which can be used purposefully. Quality circle helps in overall development and commitment of the employees in hotels by upgrading their knowledge, skills, attitude, and increasing the confidence level. Employee development is equivalent to the development of the firm. So, if the hotel industry wants to grow, they need to boost employees in their growth. . Deficiency of this learning can limit the understanding of the opinion of male and female employees working in the hotel industry on productivity and quality circle. It also leads to the nonexistence of proper understanding about the benefits of quality circle in a firm. Quality circles have become self-managing which gains the confidence of management. Employees can often make better suggestions for improving work processes than management; and that employees are motivated by their participation in making such improvements. The impact of Quality circle towards employees and organization has become very important for improving a firm's capabilities in order to achieve competitive advantages.

VII. CONCEPTUAL FRAMEWORK

Quality Circle represents a group of internal members, which consist of 3 to 15 members. The members of the Circle are the employees who can have influence in problem solving or to those members affected by the problems. They often meet once a week, meetings that approximately

last an hour. During the meetings, the members of the circle analyze the problems in details. After the frequent meetings, the members of Quality Circles propose the solutions of the problems that are closely related to their daily activities. This is led by the Supervisors or the leader elected by the members of the Circles.

VIII. METHODOLOGY

The research design used in this study is descriptive research. The primary data was collected from the employees of the

selected hotels in the districts of Kollam, Trivandrum and Alappuzha through a direct structured questionnaire. Secondary data was collected through literature review which includes journals, publications and websites. In this study the research was conducted by using schedule methods and questionnaire method to obtain data in all respect. Simple random sampling was used and 110 samples were collected from the employees. The main statistical tools used for the data analysis are T-test and Regression.

IX. ANALYSIS

Table: 1 Demographics

		Percent	Cumulative percent
Gender	Male	76.4	76.4
	Female	23.6	100
Age	20-30	4.5	4.5
	31-40	62.7	67.3
	41-50	27.3	94.5
	51-60	5.5	100
Education	Under Graduate	7.3	7.3
	Diploma	53.6	60.9
	Graduate	29.1	90
	PG	9.1	99.1
	Others	0.9	100
Experience	0-5	9.1	9.1
	6-10	54.5	63.6
	11-15	11.8	75.5
	16-20	9.1	84.5
	20 and above	15.5	100

Source: Primary Data

Table 2 : Group Statistics (Objective 1)

GENDER		N	Mean	Std. Deviation	Std. Error Mean
Productivity	MALE	84	21.381	2.60632	0.28437
	FEMALE	26	21.6154	1.67516	0.32853

Source: Primary Data

Table 3: Independent sample test (Objective 1)

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Productivity	Equal variances assumed	7.005	.009	-.431	108	.667	-.23443	.54374	-1.31222	.84335
	Equal variances not assumed			-.540	65.434	.591	-.23443	.43451	-1.10209	.63323

Table 4 : Group statistics (Objective 2)

GENDER		N	Mean	Std. Deviation	Std. Error Mean
Quality circle	MALE	84	16.5833	2.03706	0.22226
	FEMALE	26	16.8846	2.28608	0.44834

Source: Primary Data

Table 5: Independent sample t- test (Objective 2)

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Quality circle	Equal variances assumed	1.341	0.249	-0.64	108	0.523	-0.30128	0.47069	-1.23428	0.63171

Equal variances not assumed			-0.602	38.105	0.551	-0.30128	0.50041	1.31421	-0.71164
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Table 6: Descriptive statistics (Objective 3)

	Mean	Std. Deviation	N
Productivity	21.4364	2.41375	110
QC	16.6545	2.09165	110

Source: Primary Data

Table 7: Correlation

		Productivity	QC
Pearson Correlation	Productivity	1.000	.443
	QC	.443	1.000
Sig. (1-tailed)	Productivity		.000
	QC	.000	
N	Productivity	110	110
	QC	110	110

Source: Primary Data

Table 8 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.443 ^a	.196	.188	2.17442

Source: Primary Data

Table 9: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	124.419	1	124.419	26.315	.000 ^b
	Residual	510.635	108	4.728		

Total	635.055	109			
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Source: Primary Data

Table 10: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	12.929	1.671		7.736	.000	9.617	16.242
	QC	.511	.100	.443	5.130	.000	.313	.708

Dependent Variable: Productivity

I. FINDINGS

1. Productivity- T value is -0.431 which shows a significance of 0.591 since the p value is greater to 0.05 considered as ($p > 0.05$). From the analysis, it is observed that there is no difference in the opinion of male and female employees on productivity.
2. T value is -0.602 which shows a significance of 0.551 since the p value is greater to 0.05 considered as ($p > 0.05$). There is no difference in the opinion of male and female employees on quality circle.
3. The standardized coefficient beta value of 0.443 which is not close to 1 and as well as less than 0.5, hence it can be concluded that there is weak to moderate influence. That means factors of quality circle shows weak to moderate influence on productivity of

the employees.

II. SUGGESTIONS

The study found that 19.6% of the variance of dependent variable productivity is influenced by the independent variable quality circle. Hence the organization can find out what are the other variables that contribute to the variance of the dependent variable productivity of the employees.

III. CONCLUSION

A quality circle is a participatory management technique that enlists the help of employees in solving problems related to their own jobs. The researcher found that there is no difference in the opinion of male and female employees on reaction to productivity and quality circle. It was also found that there is weak to

moderate impact of quality circle on productivity. The study found that regression coefficient values(R square) for independent variable productivity is weak, so the organization can find out what are the other variables that contribute to the dependent variable productivity.

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EMOTIONAL LABOR & EMPLOYEE JOB SATISFACTION WITH SPECIAL REFERENCE TO SERVICE SECTOR

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ABSTRACT

The study mainly focus to identify the importance of one of the most popularizing psychological construct 'Emotional Labor' on the 'Job Satisfaction' of employees. The relationship between Job Satisfaction and Emotional Labor is studied by considering the two important dimensions of Emotional Labor i.e Surface Acting and Deep Acting. The paper finally explicate the relationship between the dimensions of Emotional Labor, surface acting and deep acting on job satisfaction of employees. Results of this study indicate that deep acting is directly and strongly related to employee job satisfaction and surface acting is having a moderate direct relationship towards employee job satisfaction. Service rendering is a profession, undoubtedly, one with the highest requirements regarding Emotion Management and Impression Management. So employees of service sector are considered for this particular study. The study participants ranged in age from 21 years to 53 years, approximately 68% were female, and 42% were married. The study concludes by stating that there exists a positive relationship between Emotional Labor and Job satisfaction in service rendering sector when the employee practices in an environment that creates a sense of loyalty and ownership.

Key Words : Emotional Labor, Job Satisfaction, Deep acting & Surface Acting, Service Industries.

I. INTRODUCTION

The conceptual and operational clarification of the two psychological construct considered for this study are clearly illustrated in this paper. Various research on service sector workers illuminate how interpersonal aspects of work related situations are closely intertwined with the tasks of work. One among those interpersonal tasks associated with service work that is receiving greater attention in studies is emotional labor. “Emotional Labor discussed in this article is that form of

emotions which is displayed by the employees through the ownership towards the business. This kind of ownership will be created when the employee practices in an environment that creates a sense of loyalty and ownership”.

Initially several studies advocated that the influence of Emotional Labor had a detrimental effect on workers, on a later stage the research started showing a nebulous implication on various aspects of workers. This diverse outcome might be because of change in organization

culture, market situation, sway of various external and internal factors etc. Even though several previous studies explained the concept of Emotional labor, what its implications on work satisfaction needs further clarification. Taking all these into consideration the current paper focuses to understand the influence of Emotional Labor on Job satisfaction of workers in service industry. The two dimensions of Emotional Labor: Surface action and Deep Action, which is being explained by Kruml and Geddes are being considered for this study. Results indicate that both forms of EL have positive impact on workers satisfaction. Research proved that from employee's perspective: if higher the emotional labor greater will be the chance of job satisfaction and in-turn higher will the chance of an employee to be successful in the organization life, higher will be the self-efficiency and higher will be the personal well-being. From organization perspective the consequence of emotional labor is elucidated as higher the emotional labor of employees, higher will be their satisfaction and commitment towards the work and the organization. More satisfied and committed employee will in turn create positive customer. Positive customers will leads to the positive evaluation of the service quality.

II. METHODOLOGY

Primary data is collected and are being analyzed from among randomly selected 120 employees of IT companies in Technopark Trivandrum. The evaluation of service sector employees are made using Structured Questionnaire Method. Questionnaires are being prepared and distributed for collecting the information from employees who display their emotions as a part of their ownership towards the firms. For this purpose 120 employees of three effectively managed IT companies are being selected randomly. The methodology used for this study is descriptive in nature. Multiple regression method is used to explain the relationship between job satisfaction and emotional labor. The psychological construct Emotional labor is studied by analyzing its two main dimensions, i.e deep acting and surface acting. This two variables is being considered independent variable for regression model. The dependent variable for the study is taken as Job satisfaction among employees.

The main objectives of the study is being taken as finding out the whether there is any positive relationship between Job Satisfaction and Emotional Labour. Paper also focuses on studying the relation of the two dimensions Surface acting and Deep acting on Job Satisfaction. The paper analysis the effect of how much is

the influence the two dimensions using multiple regression method.

III. EMOTIONAL LABOR

The term 'Emotional labor was first coined by a sociologist, Arlie Hochschild in her book: 'The Managed Heart, The Commercialization of Human Feeling', as "the management of human feelings and emotions so as to create a publicly acceptable facial expressions and bodily display" by Hochschild (1983). He described Emotional Labor as those activities which workers do and one which goes beyond physical or mental duties. Another description of emotional labor is given by Grandey (2000). Grandey(2000) have explained EL in an impeccable way, he claimed that the concept of emotional labor can be explained by synthesis of three descriptions given by Hoschschild (1983), Ashforth and Humphrey (1993) and Morris and Feldman (1996). Customer's perception of service quality includes showing a genuine concern for customers' needs, smiling, and making positive eye contact. These are all not only critical to customer's satisfaction but also important for employee job satisfaction. These types of activities, influences and forms the essential part to worker performance and thereby job satisfaction. For example, it is found that when employees of the organization reported

higher job satisfaction and career development, customers of the same organization reported higher service quality of the employees(Schneider & Bowen, 1985).

IV. JOB SATISFACTION

Conceptual clarity about Job Satisfaction can be gained from the following definitions. Hoppock have defined the term Job satisfaction as the combination of psychological, physiological and environmental circumstances that form as a cause for a person truthfully to say that I am satisfied with my job (Hoppock, 1935). This definition gives a better understanding of Job satisfaction is closely linked to that individual's behavior in the work place (Davis et al.,1985). Spector explained job satisfaction in a simple way and which was one of most cited definitions of Job Satisfaction. According to Sector 'Job satisfaction has to do with the way how people feel about their job and its various aspects'. The term job satisfactions refers to the attitude and feelings people have about their work. Positive and favorable attitudes towards the job indicate job satisfaction. Negative and unfavorable attitudes towards the job indicate job dissatisfaction (Armstrong, 2006). Three important features of job satisfaction are being explained by explained by Spector (1997).

Firstly, he explained that the organizations should be guided more by human values. Such organizations will be focused towards treating workers fairly and with due respect. In such situation the assessment of job satisfaction forms as a good indicator of employee effectiveness. High levels of job satisfaction may be sign of high emotional and mental state of employees. In this scenario, the studies illustrates that emotional labor will be apart of their moral value to be more committed towards their organization and this will in-turn create good performance and thereby leads to contribute towards their aspect of work satisfaction.

Second, the behavior of workers depending on their level of job satisfaction will affect the functioning and activities of the organization's business. From this it can be concluded that job satisfaction will result in positive behavior and vice versa, dissatisfaction from the work will result in negative behavior of employees. Thus we can elucidate that the organization where employees are treated good will be good in managing their emotional labor as part of their social status, responsibility and recognition. All this forms a major part in job satisfaction.

Third, job satisfaction may serve as indicators of organizational activities. Through job satisfaction evaluating different levels of satisfaction in different

organizational units can be made easy. Organization with highly satisfied employees perform well in all forms. When the performance of the organization increases employees will be treated better and will in-turn improves the satisfaction level of employees.

V. WORKERS JOB SATISFACTION AND EMOTIONAL LABOR

In a high competitive market situation & service-oriented marketplace, it's very much important to understand the relevance of the concept emotional labor and how it affects workers, job satisfaction and what organizations can do to support and manage any issues relating to it. From the study it is clear that it is important for each employee to realize the influence of Emotional Labor on their performance. At the same time it is important for the organization to realize how employees Emotional Labor influence the overall working of the organization. So it is significant to provide support to the workers to deal with the impact of Emotional Labor. There is still considerable debate in the area whether employee's satisfaction leads to performance or whether performance leads to satisfaction (Luthans, 1998)

Emotional labor is explained as the performance of various kinds of emotion

work in the context of paid employment (Hochschild, 1979,1983).It is important to identify the fact that when a worker engage in emotional labor, they control their feelings to fulfill the goals and expectations of the organization. Workers do this either by way of (a) expressing only their positive feelings, or by (b) hiding or managing their negative feelings. Dealing with negative emotions are the strenuous area in Emotional Labor. To deal with the same workers normally adopt certain roles. They might go through several stages like hiding their real feelings and emotions, putting a mask which shows emotions which they don't feel by adding up with emotions which are appropriate for the real situation. All this can be justified by the two main dimensions of Emotional Labor (1) Surface Acting (2) Deep Acting (Kruml and Geddes, 2000). Surface acting is identified on early stage by Hochschild (1983).Surface Action can be illustrated conceptually as when a worker pretend to have an emotion which he doesn't have and express it through his unnatural and artificial body language. Here he tries to hide the real emotion which he have in his mind (Grandey,2000). Whereas Deep Acting is the way of controlling one's own internal emotions, and express emotions that align with the real situation by convincing oneself that he is not having any negative emotion in his mind. Here

they try to pretend and believe that they are happy and enjoying the interaction with other person (Kruml and Geddes, 2000).

Hochschild have instituted the concept of Emotional work in 1979 and later distinguished Emotional Work from Emotional Labor. He differentiated the Emotional Work as the unpaid emotional adjustments for their personal life from Emotional Labor which normally occurs in paid work environment. Normally Emotional labor will be performed for wage or salary and will be supervised in an organization. Whereas Emotional work will be compensated with love and affection in their personal life. This paper takes into account the form of Emotional Labor which is traded in work environment expecting the benefits other than mere monetary remunerations. The benefit might be in the form of developing good interpersonal relationship, humanitarian context, psychological balance, social status, good image/reputation, moral and cultural values, responsibility, supervisors impression etc. The research by Zhang and Zhu (2008), Emotional Labour variables of deep acting and surface acting seems to be highly important in the explanation of the personal accomplishment.

VI. ANALYSIS AND RESULTS OF RELATIONSHIP BETWEEN EMOTIONAL LABOUR AND JOB SATISFACTION

relationship between emotional labour and job satisfaction

H1: There is significant positive relationship between emotional labour and job satisfaction.

H0: There is no significant positive

Table : 1: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.885	.784	.780	.23867

a. Predictors : (Constant), Surface action, Deep action

b. Dependent Variable : Job Satisfaction

The values of R and R Square for the regression model are provided in the above table. The value of R is 0.885; it indicates that there is 88% of correlation between job satisfaction and emotional labour. The value of R Square is 0.784,

which shows the degree of prediction of job satisfaction by dimensions of emotional labour. That means 78% variation in job satisfaction is projected accurately by surface action and deep action.

Table 2: ANOVA test- Emotional labour and job satisfaction

ANOVA					
Model		Sum of Squares	df	Mean Square	F
1	Regression	24.191	2	12.096	212.338
	Residual	6.665	117	.057	p-value
	Total	30.856	119		.000
Result					Significant

a. Dependent Variable : Job Satisfaction

b. Predictors : (Constant), Surface action, Deep action

Source: Primary Data

The p value of ANOVA test is 0.000 which is below 0.05. Therefore the null hypothesis is rejected. It shows that the

regression model is appropriate to explain the relationship between the dimensions of emotional labour and job satisfaction.

Table 3: Dimensions of Emotional Labour and its Contribution to Job Satisfaction

Model	Coefficients				t-value	p-value
	Unstandardized Coefficients		Standardized Coefficients	Beta		
	B	Std. Error				
1 (Constant)	1.119	.170			6.581	.000
Surface Action	.211	.068	.261		4.750	.000
Deep Action	.422	.057	.564		7.425	.000

a. Dependent Variable: Job Satisfaction

Source: Primary Data

The above table gives the regression coefficients (B), it is the level of contribution which means that variation in job satisfaction by unit increase in dimensions of emotional labour. The p values of t-test for constant, surface action and deep action are below 0.05. It implies that surface action and deep action have significant positive effect on job satisfaction. Based on the regression coefficients, deep action has more influence on job satisfaction than surface action. The regression equation is give below.

$$\text{Job satisfaction} = 1.119 + 0.211*$$

(Surface Action) + 0.422 (Deep Action)

This regression equation shows the positive relationship between the two

dimensions of Emotional labour and Job Satisfaction.

VII. DISCUSSIONS & CONCLUSION

Multiple Regression analysis applied in this paper, proved that their exist a positive relationship between Emotional Labour and Job Satisfaction of employees in service sector industries . From among the two dimensions of Emotional Labour, surface acting is having moderate relationship and deep acting is having strong direct relationship between Job Satisfaction. Hence the p-value is below .05 it implies that surface action and deep action have significant positive effect on job satisfaction. It is

being proved based on the regression coefficients, deep action has more influence on job satisfaction than surface action. As the future scope of this study we recommend that such analysis should be made on larger samples on employees with a high similarity regarding job characteristics and organizational demands as both these aspect are having high influence on emotional labor.

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FOREIGN EXCHANGE VOLATILITY & NRI REMITTANCE BEHAVIOR IN KERALA WITH SPECIFIC REFERENCE TO GCC COUNTRIES

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ABSTRACT

Foreign Exchange rate is an important macroeconomic policy instrument which affects all macroeconomics variables. Thus volatility in foreign exchange rate has strong influence on the economic activities. In this paper an attempt has been made to review the literature in the area of Foreign Exchange Volatility, NRI Remittances and whether there is any relationship between foreign exchange volatility and NRI Remittances. A conceptual framework has been suggested at the end of the paper and research propositions have been laid out for further research.

Key words : Foreign exchange volatility, Remittances, Migration

I. INTRODUCTION

India has been reporting a remarkable rise in its economic growth in the recent past. Apart from the major drivers of this growth process such as liberalization of the economy, globalization and increased FDI (foreign direct investment), the buoyancy of remittances has helped to substantially reduce the country's current account deficit and thereby help achieve growth. The reason for such increase in inward remittances is the entry of banks and other specialized agencies into the remittance business, thus reducing the reliance of migrant workers on informal channels of remittances.

Remittances commonly refer to the flow of private unrequited transfer of money from migrants' earnings outside their country of origin, back into their

home country. According to the World Bank, remittances are now the second largest resource inflow for developing countries behind foreign direct investment (FDI) forming a very important component of a nation's balance of payments. For some countries, remittances not only help maintain a stable inflow of foreign currency but also are a greater source of foreign exchange than foreign direct investment and portfolio investment flows.

According to the data from Reserve Bank of India (RBI), in 2017, India was world's top destination for inward remittances with 11% of total global remittances in 2017 i.e. over \$68.96 billion. Statistics shows that more than a quarter of that remittance was from GCC Countries and that too mostly from United Arab Emirates (UAE) the most preferred

employment destination for migrants from Kerala. The Gulf Cooperation Council (GCC) is a regional inter-governmental political and economic bloc of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE.

According to the latest edition of the World Bank's Migration and Development Brief 2018, remittances to low- and middle-income countries grew rapidly and estimates that officially recorded remittances to developing countries will increase by 10.8 percent to reach \$528 billion in 2018. This new record level follows robust growth of 7.8 percent in 2017.

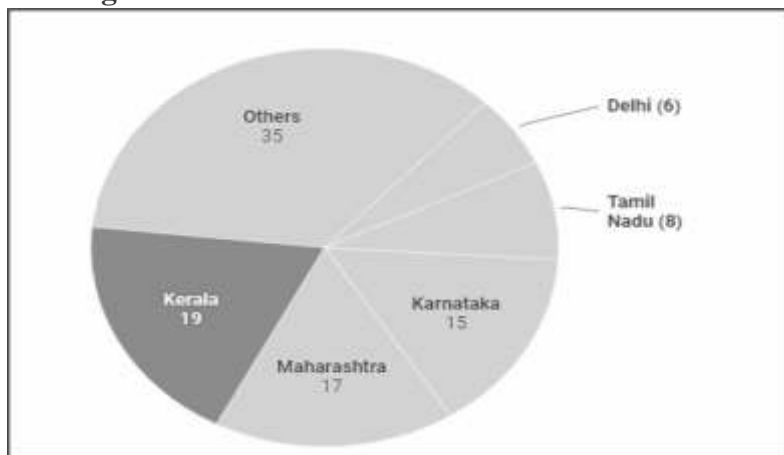
Remittances to South Asia are projected to further increase which will mainly be driven by stronger economic conditions in advanced economies, particularly the United States. The increase in oil prices will be having a positive impact on outflows from some GCC countries, such as the United Arab

Emirates which reported a 13 percent growth in outflows for the first half of 2018.

Global remittances, which include flows to high-income countries, are projected to grow by 10.3 percent to \$689 billion. Among major remittance recipients, India retains its top spot, with remittances expected to total \$80 billion this year, followed by China (\$67 billion), Mexico and the Philippines (\$34 billion each), and Egypt (\$26 billion). Eight countries – United Arab Emirates, the United States, Saudi Arabia, Qatar, Kuwait, Oman, the United Kingdom and Malaysia – accounted for 82 per cent of the total remittances received by India.

Within India, Kerala is the top destination for remittances. The southern state accounts for over 19% of inward remittances into the country as shown in Figure 1 & the remittances account for 36.3% of Kerala's gross state domestic product (GSDP).

Figure 1: State wise share in inward remittances



Source: Reserve Bank of India

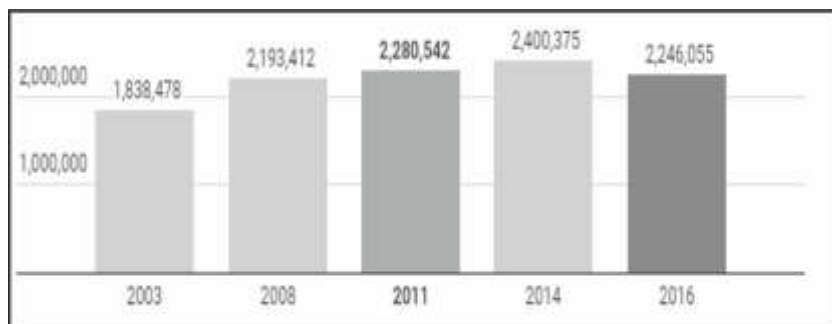
According to a report published by Reserve Bank of India in 2018, Kerala accounted for 19 per cent of total inward remittances, followed by Maharashtra (16.7 per cent), Karnataka (15 per cent) and Tamil Nadu (8 per cent).

Delhi (5.9 per cent), Andhra Pradesh (4 per cent), Uttar Pradesh (3.1 per cent), West Bengal (2.7 per cent), Gujarat (2.1 per cent) and Punjab (1.7 per cent) were among the top 10 States that received inward remittances.

For 2019, it is projected that remittance growth for the region will slow to 4.3 percent due to a moderation of growth in advanced economies, lower migration to the GCC and the benefits from the oil price spurt dissipating.

Kerala Migration Survey 2018 which was conducted by Centre for Development Studies (CDS) notes that though the number of migrants from Kerala to the Gulf has come down the as shown in Figure 2, the remittances to the state have increased. This is due to the fact that Keralites' in the Gulf have climbed the social ladder and are earning higher wages, allowing them to remit more. Surveys by the Centre for Development Studies (CDS), Thiruvananthapuram, show that there has been a consistent growth in emigrant population right from 1998, when the studies started till 2014. However, CDS researchers found a sharp decline in the number of migrants in 2016.

Figure 2: Number of Emigrants from Kerala



Source: Kerala Migration Survey 2016

The study also highlights the fact that 89.2 per cent of the total migrants from Kerala are in the Middle East countries the remaining 10 per cent of the emigrants are concentrated in the other countries like the USA, the UK, and Australia. In 1998, Kerala had 1.36 million emigrants. In

2003, the number rose to 1.83 million. In 2008, 2011 and 2014, the counts were 2.19 million, 2.28 million and 2.4 million, respectively. Given the steady uptrend, demographers took note when the number dropped to 2.24 million for the first time in 2016.

I. METHODOLOGY

A literature review covering Foreign Exchange Volatility, remittances by migrants, NRI remittances with specific reference to Keralites living in GCC Region in Kerala has been done as part of the study. Data was collected using secondary resources which include reports by World Bank & Reserve Bank of India. Research articles from various journals were also used to analyse and draw meaningful conclusions from the same.

II. LITERATURE REVIEW

Foreign Exchange rate is an important macroeconomic policy instrument which affects all macroeconomics variables. Thus volatility in foreign exchange rate has strong influence on the economic activities. Volatility refers to all movements and changes that are effective in depreciation or appreciation of a currency. Volatility in real exchange rate is associated with irregular and erratic fluctuations in relative prices of the economy (Parikh and Williams, 1998). The factors that cause the volatility in exchange rate can be economic, political and psychological (Saeed et al, 2012). Exchange rate volatility corresponds to large fluctuations around the balance value of the exchange rate or short-term fluctuations around the long-term trends of the exchange rate (Oaikhenan and Aigheyisi, 2015, Giannellis and

Papadopoulos, 2011). In other words, the exchange rate volatility is a variation of the price of one currency in another currency. The profitability of foreign exchange transactions is affected by the appreciation or loss of foreign currency (Martins, 2015). Exchange rate volatility is associated with unpredictable movements in relative prices in the economy.

Remittances represent a stable inflow of foreign currency for many small developing economies. For some, remittances are now a greater source of foreign currency than foreign direct investment and portfolio investment flows. Small open economies are vulnerable to fluctuations in capital flows that may lead to volatility in real and nominal exchange rates. Combes, Kinda and Plane (2011) find that significant increases in such flows may cause the financial system to be more fragile and lead to an appreciation of the real exchange rate.

The uncertainty that is caused by volatility also negatively affects economic growth by affecting investment and investor confidence, productivity, consumption and international trade and capital flows (Oaikhenan and Aigheyisi, 2015)

Although there is no consensus on the causal factors of exchange rate volatility, many factors have been identified in the literature. These factors include output level, inflation, trade openness, interest rates, domestic and

foreign money supply, exchange rate regime, central bank independence, changes in the balance of payments, international capital movements, developments in information and communication technologies and monetary and fiscal policies to be implemented. In addition, speculations, news, expectations that contribute to the exchange of these variables will indirectly affect the volatility of the exchange rate (Stancik, 2007, Ajao, 2015, Hassan et.al., 2017).

Volatility in exchange rates has a negative impact on growth by decreasing trade volume, investment spending, and profitability (Jorge and Habermeier, 2004). First, when remittances enter an economy, they enter as an income transfer from one household (abroad) to another (home country). The transfer of funds can be used for consumption, savings or investment purposes and the funds usually do not leave the economy (Chami, Barajas, Cosimano, Fullenkamp, Gapen and Montiel, 2008).

Obviously, remittances have a visible macroeconomic impact on the recipient economy. Circumstantial evidence links remittance inflows to higher prices. This puts added dependence on imports, instead of increasing the efficiency of the export sector (World Bank, 2009). Remittances are a more stable source of foreign currency than FDI, FPI and foreign aid in many low and lower-middle income countries of the world (Frankel and

Jeffrey, 2011). They have various benefits both at micro and macro levels. The remittance inflow helps in reducing poverty (Taylor and Wyatt, 1996) and inequality (Stark, Taylor, and Yitzahki, 1986) along with representing a major source of funding for children's education (Kugler, 2007). Remittances are also heavily used for consumption, housing expenses and healthcare (Amuedo-Dorantes, 2007). Moreover, the remittances flow increases during financial distress to sustain the households of the migrants (Yang, 2004). At the same time, remittances increase foreign currency reserves, aid in the development of the financial sector, boost the accumulation of physical and human capital and help in current account adjustments (Adams and Page 2005, Barajas et al., 2009; Hassan et al., 2015). The inward flow of remittances also improves the macroeconomic stability and helps in reducing output volatility (Chami, Hakura and Montiel, 2011).

In matters of remittances, special mention has to be made of the Gulf countries because for Indian sub-continent it is undoubtedly very huge market. The largest number of unskilled and semi-skilled Indian immigrants go to the Middle East, particularly to Saudi Arabia, UAE, Kuwait, Bahrain, Oman and . They are mainly getting employment in (a) white collar jobs (doctors, nurses, engineers, architects, accountants and managers), (b) blue collar jobs (semi-skilled workers) like craftsmen, drivers,

artisans and other technical workers and (c) unskilled labourers in construction works, farmlands, livestock ranches, shops, stores and household maids and other domestic works. The first category comprises about 30 per cent of Indian immigrants in six GCC countries while the last two categories comprise almost 70 per cent of all Indian immigrants. Within the GCC countries, Kingdom of Saudi Arabia and UAE are the most popular destinations of Indian immigrants and together they are responsible for more than 60 per cent of the total deployment of Indian migrant workers in the Middle East.

India is the largest recipient of migrants' remittances in the world which comes to roughly 4 per cent of India's Gross Domestic Product (GDP). The Middle East, Saudi Arabia and United Arab Emirates are the prime sources of remittances (Azeez, 2009). Remittances from North America (Ratha, 2007 & Chishti 2007), especially the USA and Canada, have increased substantially since the 1990s because of large emigration of highly skilled workers. The increasing shares of North America and the Middle East over the years have led to a fall in the relative share of Europe (Desai, 2009, Gabi 2012 & World Migration Report 2013) in remittance inflows. Over the last three years, India has registered a significant flow of remittances from USD 62.7 billion in 2016 to USD 65.3 billion 2017. In 2017,

remittances constituted 2.7 per cent of India's GDP.

III. DISCUSSIONS & CONCLUSION

From the literature review we can conclude that remittances have a visible macroeconomic impact on the recipient economy. Although there is no consensus on the causal factors of exchange rate volatility, many factors have been identified in the literature and this foreign exchange fluctuation have an impact on remittances by NRIs which needs to be further probed. From the literature review it can be understood that though there are lot of studies examining the relationship of Remittances on Foreign Exchange Volatility there are hardly any studies which examines the relationship between Foreign Exchange Volatility on Remittances. Bilateral relation between Foreign Exchange Volatility and NRI Remittances is something which needs to be probed. Though there are studies which have been conducted using secondary data to understand the relationship of Remittances and Foreign Exchange Volatility, studies using primary data to understand the behavior of remittances especially related to NRI's working in GCC Countries is missing.

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VOLATILITY ANALYSIS OF BITCOIN AND ITS LEGAL TENDER IN INDIA

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ABSTRACT

The paper analyses the causes that led to the bearish trend of Bitcoins globally and attempts to measure its fluctuation by comparing standard deviation during Q4 (October, November, December) to 10th February 2018. The relevance of Bitcoin in Indian monetary system is also studied. Cryptocurrency is a digital currency and verify the transfer of funds, operating independently of a central bank. Bitcoin, Ripple, Ethereum are some of the mostly traded cryptocurrencies in the global market. Bitcoins are created through a computer generated process known as mining. Iceland, Vietnam, Bolivia, Russia etc considers Bitcoin illegal, while India do not restrict individuals holding it, they cannot be accepted if offered in return of a debt. Using Bitcoins in money laundering and transactions for acts of terrorism are the challenges in the use of Bitcoins as a legal tender in India. It isn't a conventional currency so we cannot critique it exactly with currencies having legal tender. Rapid deflation is a huge problem for any effort to convince the consumers or companies to adopt or accept it as a tender

Key words : Volatility, Crypto currency, Bitcoin, Ripple, Ethereum

I. INTRODUCTION AND REVIEW OF LITERATURE

Most of the currencies prevailing all over the world at present is truly can be considered as 'reserve currencies' or 'Fiat currencies'. A fiat currency refers to currencies that are issued by a government, and the government promises to pay the holder of such currencies an equivalent amount to gold, if needed (1). Control over such currencies by the government owes the right to people, to make use of it for transactions. Unlike this, crypto currencies are those which are created based on cryptography and its security is entitled by such algorithms. The most significant speciality of crypto currencies is, a trusted third party like governmental

or such agencies are not present to control in any manner. The cryptocurrencies available all over the world like Bitcoins, Ethereum, Litecoin, Ripple etc are based on a fundamental system created by Satoshi Nakamoto (2). His major contribution towards the cryptoworld is Bitcoin and Block chain itself. Nakamoto describes the bitcoin as a “peer-to-peer network, a version of electronic cash [which] allows online payments to be sent directly from one party to another without going through a financial institution.” (Nakamoto 2008). To execute a financial transaction, the consumer and the vendor must have internet access and a wallet. Similar to a physical wallet where consumers store their money and retrieve it for a purchase. The digital wallet is the

tool which consumers use to save their Bitcoins and access to transfer Bitcoins for a purchase. The key innovation in Bitcoin, compared to the other forms of cryptographic cash (Chaum 1983) or virtual currencies (European central bank 2012), is the decentralised core technologies. In early days people opted for Bitcoins to enjoy the benefits of a decentralised system. Initially the price of Bitcoin was USD 0.007(INR 3). As it avoids concentration of power that could let a single individual to take control. But now a days due to government interventions, the values of crypto currencies are depleting severely, especially on Bitcoin. Thus it is followed by strict residual control and non-legality. At present 1 bitcoin coin is equal to USD 8118.05(INR 520717.54) as of 11th February 2018. India as a prominent decision maker in world economy has now proposed the opposition on the acceptance of Bitcoin and also the implication as a legal tender. Bitcoin has served approximately 62.5 million transactions between 109 million accounts. As of March 2015, the daily

transaction volume was approximately 200,000 bitcoins-roughly \$50 million at market exchange rates-and the total market value of all bitcoins in circulation was \$3.5 billion (Blockchain.info 2015).

II. METHODOLOGY

Prices of Bitcoin in India from a period of 1st October 2017 to 10th February 2018 (133 Days) are taken for the analysis of Volatility. The so called secondary data was collected from the website, www.worldcoinindex.com. Further the data was used to analyse the day to day fluctuations and the volatility was measured using log function ('ln' function) and Standard deviation (SD) in Microsoft Excel.

III. OBJECTIVES

1. To determine the volatility (change in value) of Bitcoin from 1st October 2017 to 10th February 2018.
2. Identifying the reasons for volatility.
3. To find out legality of Bitcoin in India.

IV. ANALYSIS AND INTERPRETATION

Table 1: Daily Returns of October 2017

Date	Price (INR)	Daily returns
1	280611	
2	287329.22	0.023659
3	298718.73	0.038874
4	295151.8	-0.01201

5	289837.51	-0.01817
6	290670.57	0.00287
7	294698.99	0.013764
8	300076.11	0.018082
9	302108.05	0.006749
10	313143.41	0.035877
11	314864.12	0.00548
12	318387.52	0.011128
13	348396.94	0.090073
14	349790.91	0.003993
15	354262.81	0.012703
16	360930.58	0.018647
17	361321	0.001081
18	357278	-0.01125
19	370669.64	0.036797
20	356466	-0.03907
21	373438.88	0.046515
22	380336.69	0.018303
23	385300.59	0.012967
24	390268.81	0.012812
25	370939	-0.0508
26	395676.99	0.064561
27	385184.43	-0.02688
28	386846	0.004304
29	389185	0.006028
30	409846.66	0.051728
31	425557.36	0.037617
Monthly Returns		41.643%
Standard Deviation		2.9285%

For the period of October 2017, the highest price was on 31st October (INR 425557.36) and the lowest price was on 1st October (INR 280611). In the above table, returns are more and Standard

Deviation is less, hence the scenario depicts lower volatility. It means that there were no dramatic fluctuations and the price remained in an average point of value.

Table 2: Daily Returns of November 2017

Date	Price (INR)	Daily returns
1	459189.969	
2	479417.273	0.043107
3	484974.928	0.011526
4	487430.962	0.005051
5	500780.999	0.02702
6	597509.951	0.176602
7	496456.886	-0.18527
8	505333.73	0.017722
9	503452.869	-0.00373
10	501043.151	-0.0048
11	456804.633	-0.09244
12	479599.051	0.048695
13	497124.267	0.03589
14	482407.058	-0.03005
15	503748.629	0.043289
16	508524.968	0.009437
17	526931.284	0.035556
18	525963.365	-0.00184
19	543963.574	0.033651
20	597358.7	0.093635
21	587593.54	-0.01648
22	58696.722	-2.30365
23	568839.533	2.271214

24	585960.129	0.029653
25	615668.295	0.049457
26	658285.738	0.066931
27	720406.999	0.090177
28	759022.999	0.052216
29	901041.828	0.17152
30	756917.526	-0.1743
Monthly return		49.979%
Standard deviation		61.6157%

For the month of November 2017, the highest price was on the 29th (INR 901041.828) and the lowest price was on 11th (INR 456804.633). Considering the data from the table, we could see, in the month of November 2017, the price of bitcoins were highly volatile as the

standard deviation is greater than the monthly returns. Higher volatility is a scenario where the price had a rapid increase and dramatic falls. As the price increase will be higher, it is said to be good from the point of view of investors.

Table 3: Daily Returns of December 2017

Date	Price(INR)	Daily returns
1	808136.698	
2	829317.033	0.025871
3	854496.179	0.02991
4	848689.331	-0.00682
5	850920.999	0.002626
6	919705.314	0.077734
7	1040860.889	0.12375
8	1092603.591	0.048515
9	1106583.99	0.012714
10	1127101	0.018371
11	1200092	0.062749
12	1379975.999	0.139668
13	1380117.999	0.000103

14	1371857.06	-0.006
15	1382275.489	0.007566
16	1412609.96	0.021708
17	1391244	-0.01524
18	1400631.338	0.006725
19	1340793.028	-0.04366
20	118292.782	-2.42785
21	1055325.539	2.188442
22	908018.105	-0.15034
23	1157137	0.24244
24	1084932	-0.06443
25	1141008	0.050395
26	125348	-2.20857
27	1238910	2.290893
28	1200135	-0.0318
29	1185238	-0.01249
30	1071317	-0.10105
31	1122033	0.046253
Monthly returns		32.8166%
Standard Deviation		85.0147%

For the month of December 2017 the highest hit on price was on 16th (INR 1412609.96) and the lowest hit was on 1st December (INR 808136.698). From the table we could draw inference such that prolonged increase value of Standard

deviation above monthly returns shows price increase to the Bitcoin value. Thus, assume that, more and more investors came forward towards Bitcoin hoping the aim to catch benefit out of it.

Table 4: Daily returns of January 2018

Month	Price [INR]	Daily returns
1	1111379	
2	1098388	-0.01176
3	1094915	-0.00317

4	1105116	0.009274
5	1122431	0.015547
6	1117661	-0.00426
7	1117707	4.12E-05
8	1106957	-0.00966
9	1098576	-0.0076
10	1076426	-0.02037
11	986947	-0.08679
12	1009156	0.022253
13	1004048	-0.00507
14	992040	-0.01203
15	991874	-0.00017
16	871370	-0.12953
17	670668	-0.26179
18	930620	0.327577
19	904997	-0.02792
20	969161	0.068499
21	917358	-0.05493
22	832145	-0.09749
23	840521	0.010015
24	856629	0.018983
25	850847	-0.00677
26	847473	-0.00397
27	848953.9	0.001746
28	848243.32	-0.00084
29	849322.777	0.001272
30	836357.784	-0.01538
31	844643.986	0.009859
Monthly returns		-27.444%
Standard Deviation		8.6746%

For the month of January, the highest hit was on 7th (INR 1117707) and the lowest hit was on 22nd (INR 832145). Likewise in the past two months of year ending 2018, November and December,

January 2018 also results, high volatility to the price of Bitcoins through a greater standard deviation and lesser monthly returns.

Table 5: Daily returns of February 2018

Date	Price (INR)	Daily returns
1	769459.472	
2	766618.938	-0.0037
3	780510.53	0.017958
4	779445.91	-0.00136
5	778043.8	-0.0018
6	769086	-0.01158
7	776579.7	0.009696
8	764800.15	-0.01528
9	785788.434	0.027073
10	791839	0.007671
Weekly returns		28.67%
Standard Deviation		1.3709%

The above table shows just a 10 days price analysis for the month of February 2018. After a long gap of 3 months this was for the first time, Bitcoin value negatively grown with a higher return and lesser standard deviation. But considering the fact that, only a 10 day value is taken, it would end as better for investors like the previous trio months.

V. REASONS FOR THE VOLATILITY OF BITCOIN

Decisions made by various central

banks and governments: Central banks and governments of different countries has a prominent role in making the values of Bitcoins getting fluctuated drastically. Since the inception of such crypto currencies, all the central banks are recognizing the ups and downs of them. They are considering two important aspects mainly. First is, whether to take a strong and stern action against Bitcoins and secondly whether to introduce government backed legal crypto currencies. The main objective behind the

second opinion is that, government controlled crypto currencies will help to reduce the use of private currencies and also they could ensure safety to both the economy and also the monetary system of the nation

Stability and Credibility of fiat currencies: Bitcoins are created in such a way that its mining or creation would end at a fixed amount. That is, after the mining of 21 million Bitcoins, there wouldn't be any more creation and also only transfer would be possible. Market regulators and investment advisors considers this and suggests the Bitcoin players to get rid of them and to get invested with the stable legal currencies. Thus after attaining a lump sum huge amount of profit, many bitcoin holders sells out it and invests back to the government powered national currencies.

Shutting down of Bitcoin exchanges globally: Even though Bitcoins are created on the basis of block chain technology, which ensures protection from stealing and theft. Many incidents are reported worldwide, whereas million dollar valuable Bitcoins were getting stolen. Due to this issue, some big dealers in this sector like Mount Gox, U-bit, Bitconnect, Coinchecketc announced their shutting down recently. Loss drawn by even the exchanges finger points confusion among the investors.

Role of middle men (Exchanges): As like share trading, the transfer of Bitcoins,

both the buying and selling are done through Bitcoin exchanges. Their role in maintaining the buy and sell value is very important. Because, it is seen that the sell value is low and buy value is always high. Simply, the difference between these directly goes to their hands. Zebpay, Unocoin, Coinsecure, Coinmama, Local Bitcoins are some of the major exchanges in India.

Proposed tax pay ability norm in various countries: Like any other valuable assets, governments has already put forward the norm to introduce tax payability for Bitcoins. Though their values are very high and returns made by the investors are huge. Rather than gaining additional income to the treasury, governments considers this as a medium for minimising the prevalence of bitcoins. Such that every decisions affecting the Bitcoins leads to change on their value even from time to time.

Comments and opinions made by world billionaire investors: Billioners like Warren Buffet, Carl Ichan, Jaime Dimon, Ray Dalio, Marc Lasryetc have already made their comments purely against Bitcoins that, this is like a bubble which would explode at any time. Investing in it waiting to make sudden profit would surely make loss only. Whenever this type of comments arrives, values of not only Bitcoins but the entire crypto currency world get affected immensely negative.

VI.LEGALITY OF BITCOINS IN INDIA

Bitcoins are considered to be virtual currencies or digital currencies which is traded through the internet. Recently there is a bullish trend in the market for trading these bitcoins. However the Indian Monetary System from RBI to finance ministry have been extremely cautious in their investors for investing their money in these Bitcoins. On 24th December 2013 central bank has analysed the cautions and the potential risks which are involved in using these Bitcoins by users and other traders. Since it is in electronic format easy chance to get hacked, losing the passwords etc are possible. The government of India has taken necessary steps to eliminate the use crypto assets in financing activities and also exploring the use of block chain technology for ushering the digital economy. Even though by merely allowing these bitcoins in India, RBI considers certain guidelines on purchasing and selling of them and even the Central Board of Direct Taxes are conquering the possibilities to impose tax on them. Finance minister Arun Jaitley, in his Union budget 2018, stated about Bitcoin as “The Centre doesn't consider cryptocurrencies legal tender or coin and will take all measures to eliminate use of these crypto assets in financing illegitimate activities or as part

of the payment system”. Thus we could easily draw our inference that India wouldn't allow Bitcoins or like crypto currencies within a near future.

VII. CONCLUSION

The world economy which is always fond or attracted with immense pleasure of technological advancements and developments has already welcomed Bitcoins and such crypto currencies whole heartedly. From the analysis of the past four months and 10 days (1st October 2017 to 10th February 2018) of Bitcoin value, we could see that volatility has occurred towards them in a higher amount. Bitcoin value of INR 2,80611 on October 1st 2017 has passed through several higher and lower growth and now reached in a value of INR 7,91839 as of February 10th 2018. Even though all the world banks and governments are considering Bitcoins as a danger to the status quo of fiat currencies, the youth, the game changer investors are no longer afraid of them and they still enjoys investing and gaining returns from them. Policies adopted by such central banks and advices made by billionaire investors creates a major reason for shift in value of Bitcoins. Along with that shutting down of crypto exchanges, hacking and stealing of Bitcoin etc also forms part of the volatility. The upcoming restrictions and decisions to impose tax on them may lead

to the end of Bitcoin in an uncertain future but still Initial Coin Offerings(ICO) are being heard in the economic world. One thing is sure, the emerging economic nation India wouldn't accept Bitcoins or any such crypto currencies in any manner and as per the decisions taken now all measures to end the use also will be taken. For a hope on this matter, we could feel happy, because the Block chain technology which is behind the Bitcoin system will be adopted soon, says the Finance Minister of India. Thanks to SathoshiNakamoto, the man behind block chain technology and Bitcoin.

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