

**3.3.2 Number of books and chapters in edited volumes/books published and papers published in national/ international conference proceedings per teacher during 2018-19**

Sl. No.	Name of the teacher	Title of the book/chapters published	Title of the paper	Title of the proceedings of the conference	Name of the conference	National / International	Year of publication	ISBN number of the proceeding	Affiliating Institute at the time of publication	Name of the publisher
<b>2018-19</b>										
1	Mrs. Babita Kanojia		Study on Enterprises Risk management in bank with reference to mumbai city	Sustanbility in Globalised World	Multi Disciplinary International Conference	International	2018-19	978-93-87498-19-8	Clara's College of Commerce	Sharayu Prakashan
2	Mrs Reena Vora		A Study on impact of E-stores on retail sector in mumbai	Sustanbility in Globalised World	Multi Disciplinary International Conference	International	2018-19	978-93-87498-19-8	Clara's College of Commerce	Sharayu Prakashan
3	Mrs. Babita Kanojia		Human Resource Accounting: An Emerging Tool for Measuring Performance in Education Sector	Evolving Trends and Practices in Managing Businesses	Pathh-2019	International	2018-19	978-81-926742-6-1	Clara's College of Commerce	SFIMAR
4	Ms. Aarti Ahuja		A study on risk management in online transactions - The Issue of network and systems security	Sustanbility in Globalised World	Multi Disciplinary International Conference	International	2018-19	978-93-87498-19-8	Clara's College of Commerce	Sharayu Prakashan



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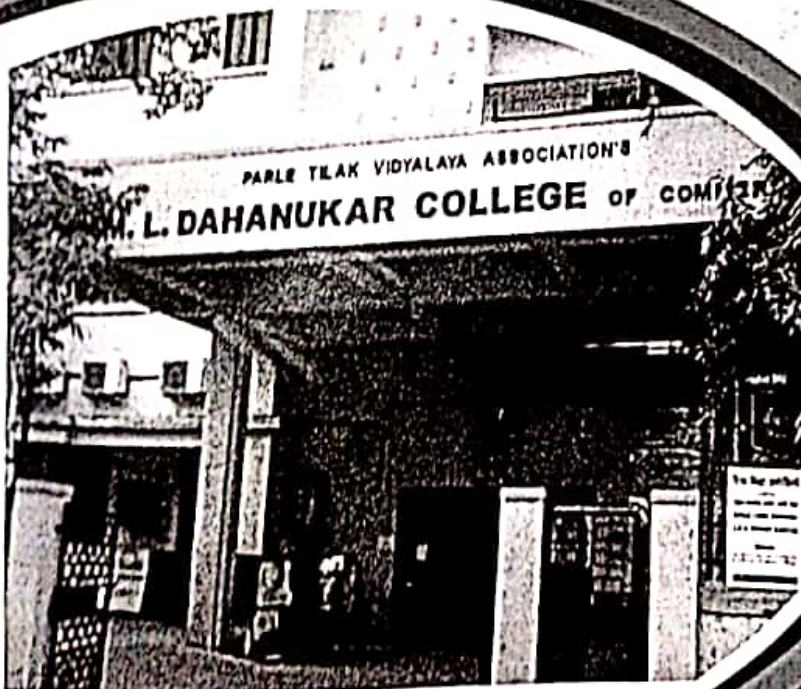
## Internal Quality Assurance Cell

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### MULTI DISCIPLINARY INTERNATIONAL CONFERENCE

on

## SUSTAINABILITY IN A GLOBALISED WORLD



Volume-I

Date:  
Saturday, 29<sup>th</sup> September, 2018

A One Day Multidisciplinary International Conference on

# “Sustainability in a Globalised World”

(Volume- I)

29<sup>th</sup> September, 2018

Organised by

Internal Quality Assurance Cell

Parle Tilak Vidyalaya Association's

**M.L. Dahanukar College of Commerce**

Accredited with "A" Grade by NAAC

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**Chief Editor**

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# A STUDY ON ENTERPRISE RISK MANAGEMENT IN BANKS WITH REFERENCE TO MUMBAI CITY

Mrs. Habita A. Kanojia  
Faculty, Clara's College of Commerce

## ABSTRACT

Risk is defined as the probability of any unexpected happening and because of which there is probability of suffering a loss. Risk is the uncertainty and uncertainty is inherent in every business and more so in Banking.

Banks in the process of acting as intermediaries confronted with various kinds of financial and non-financial risks, which are Credit Risk, Market Risk, and Operational Risk etc. Risks are as old as banks themselves. The business of Banking is thus, business of Risk Management.

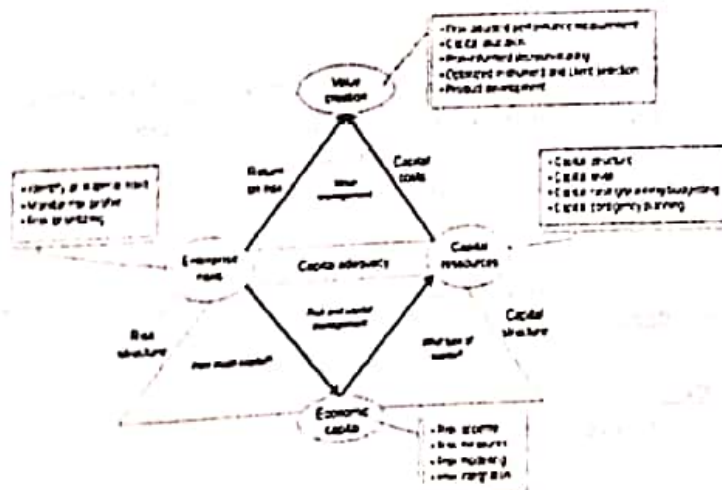
Enterprise risk management (ERM) is a relatively new discipline that focuses on identifying, analyzing, monitoring, and controlling all major risk classes (e.g., credit, market, liquidity, operational risk). Operational risk management (ORM) is a subset of ERM that focuses on identifying, analyzing, monitoring, and controlling operational risk. The main aim of this paper is to explain the concept of enterprise risk management and involvement operational risk management into the ERM framework.

**Key Words:** Enterprise Risk, Operational Risk, Banking System, Risk Management, Corporate Governance

## INTRODUCTION

Enterprise Risk Management is the discipline, by which an organization in any industry assesses, controls, exploits, finances, and monitors risks from all sources for increasing the organizations short- and long-term value to stakeholders. The enterprise risks are all the material risks the enterprise encounters. The main risks of banks are typically market risk, operational risk, credit risk, liquidity risk and business risks. It is important that these to be measured and monitored frequently. So that, the enterprise constantly knows its risks and how these change. It is also important that the risks prioritized with regard to frequency and severity.

**Fig.1 ERM: Risks, capital and value creation**



As per this figure, for studying Enterprise Risk measurement, it is important to understand the Economic Capital. Economic capital entails deep knowledge about the topic risk measures; risk modeling, risk integration and this must be executed based on the risk bearing capacity of the

bank. Risk and capital management is merely the foundation of ERM and to truly reap the full benefits of the bank running an ERM framework it must take a step further to run the bank such that it consciously utilize risk to drive value creation in the bank. What is the risk assessment? Risk assessment is the identification and analysis of both quantitative and qualitative risks to the achievement of business objectives forms a basis for determining how to managed risks to the assessed on an inherent and residual basis, allowing an entity to understand the extent to which potential events might affect objectives from two perspectives: likelihood and impact. Enterprise Risk Management is not a "One-Size-Fits-All" approach. The table below depicts three stages of ERM Programs. At each stage, the Risk Assessment requirements vary. The key is to determine the degree of maturity that is right for your company. To study in more details the researcher has frame the following objectives and problems.

#### **OBJECTIVES OF THE STUDY:**

1. To understand the risks involved in banks
2. To ensure that risk management represents a competitive advantage
3. To govern risks in a transparent manner to obtain understanding and trust

#### **PROBLEMS OF THE STUDY:**

1. It includes inadequate operational and financial controls as a result of weak internal control, insider-related lending and rendition of false returns
2. Other dark sides lack transparency and adequate disclosure of information, and technical incompetence of board and top management to play a strategic role and improve performance due to complexity and diversification

#### **HYPOTHESIS OF THE STUDY:**

1. The financial crisis has a significant impact on the exposure of the banks to risks
2. The financial crisis has a significant impact on the consequences of the risks on the banks
3. The financial crisis has a significant impact on the ERM strategy of the banks

#### **RESEARCH METHODOLOGY:**

The present study based on primary as well as secondary data. Primary data is collected through the questionnaire and survey. The secondary data collected through websites, journal and books. The sample size of the study is 30 respondents from banks from Western Mumbai. The mean and standard deviation are the tools for data analysis.

#### **Enterprise Risk Management in Banks:**

Risk management in banking sector is in limelight especially after the recent turbulence that has affected the very existence of banking sector as a viable industry. The journey of risk management started back in early 1800's, where the banks had recognized the significance of the role of risk management and had adapted the same by creating a risk function in their organizations. From there onwards, the risk function in the banks has evolved over a period of time and reached to a stage where the need felt to have some common criteria to measure & quantify the risks so that a comparative analysis of the banks can be performed and made available to the stakeholders.

#### **Need of ERM in Banks:**

##### **Capital relief or consolidating solvency from using ERM**

Having advanced risk models and an enterprise approach will massively free up capital and ultimately increase bottom-line profits. Alternatively, to using the freed up capital in business lines it can be used to consolidate the solvency ratio.



### Risk or value drivers

Traditionally a risk driver position has been viewed towards risk, often viewed as situations to be minimized or avoided. Increasingly, banks recognize the opportunities and value resulting from risk. While evaluation and mitigation remain dominant strategies for dealing with various risks, in certain banks at certain times, there is also the opportunity to *own, keep and actively pursue* other risks because of confidence in the bank's special ability to exploit those risks.

### Portfolio perspective

Risk as portfolio theory provides a framework for thinking about the collective risk of a group of assets or instruments and an individual instrument's contribution to the collective risk. With these concepts have been generalized beyond financial risks to include risks of all kinds. A number of principles follow from this thinking:

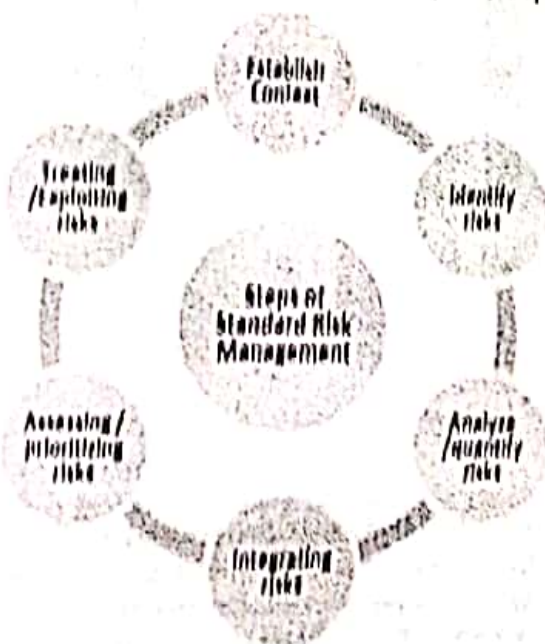
- a. Portfolio risk is not the simple sum of the individual risk elements, i.e. total risk = sum of all risks
- b. To understand portfolio risk, one must understand the individual elements and their interaction
- c. The risk of the enterprise is relevant in the key risk decisions facing that organization

### More - and more complicated - risks

Greater recognition of the variety and increased number of risks that most banks. The advances of technology, the pace of business, globalization, increasing financial sophistication all contribute to the growing number of and complexity of risks. Recognize the importance of all risks, and their interactions, not just familiar risks, in the areas that are easy to quantify.

### Quantification

Growing tendency to quantify risks. Advances in technology and expertise have made quantification easier, even for the infrequent, unpredictable risks that have historically been difficult to quantify.



### External pressure

Regulators, rating agencies, stock exchanges, investors and corporate governance bodies have come to insist that company senior management take greater responsibility for managing risks in an enterprise-wide sense.

### Process of Enterprise Risk Management

The following steps in the risk management process that are based on those originally based on risk management standards

describe seven main steps:

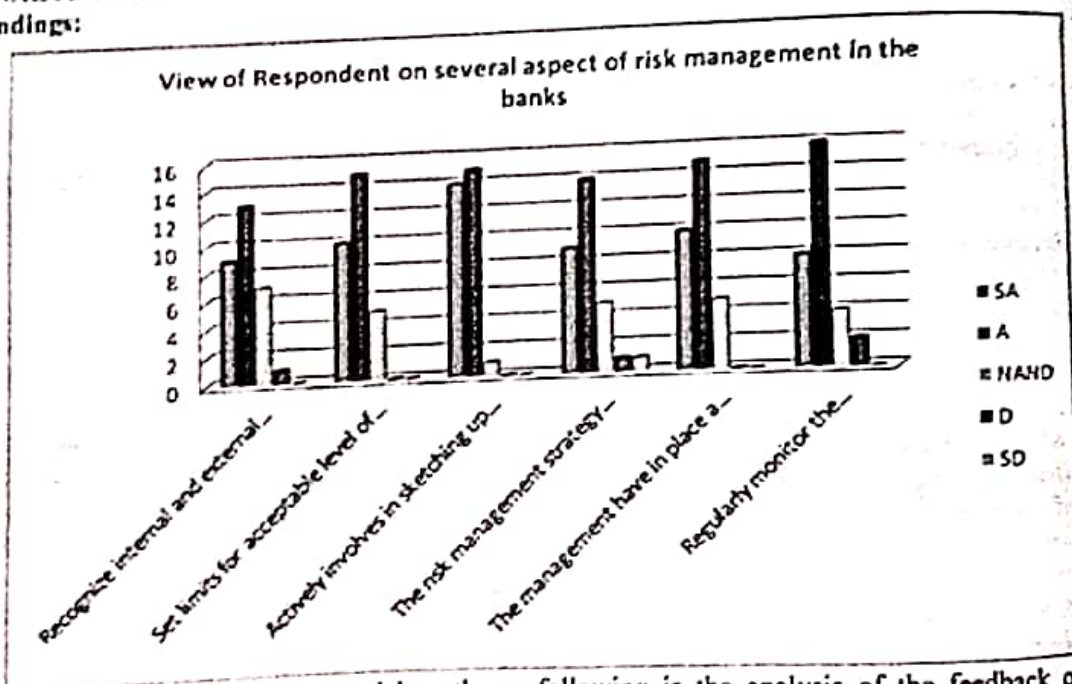
The risk management process involves

1. Establishing Context

- This includes an understanding of the current conditions in which the organization operates on an internal, external and risk management context.
2. **Identifying Risks:**  
This includes the documentation of the material threats to the organization's achievement of its objectives and the representation of areas that the organization may exploit for competitive advantage
  3. **Analyzing/Quantifying Risks:**  
This includes the calibration and, if possible, creation of probability distributions of outcomes for each material risk.
  4. **Integrating Risks:**  
This includes the aggregation of all risk distributions, reflecting correlations and portfolio effects, and the formulation of the results in terms of impact on the organization's key performance metrics.
  5. **Assessing/Prioritizing Risks:**  
This includes the determination of the contribution of each risk to the aggregate risk profile, and appropriate prioritization.
  6. **Treating/Exploiting Risks:**  
This includes the development of strategies for controlling and exploiting the various risks.
  7. **Monitoring and Reviewing:**  
This includes the continual measurement and monitoring of the risk environment and the performance of the risk management strategies.

#### ANALYSIS AND INTERPRETATION OF DATA:

##### Findings:



Based on objectives, problems and hypotheses following is the analysis of the feedback of bankers. The chart below provides the detail of the review of respondents on several aspect of risk management strategy, precaution, level of risk set allowed, monitoring techniques. This is based on agreement opinion. Hence the researcher selected likert scale for collecting information through survey method.

Following is the interpretation of the above chart: It shows that most of respondents are in the favor of several aspects related to of risk management in bank and in some of the case such as the management internal and external factors posing potential risks to the bank, the risk management strategy flexible enough to deal swiftly and adequately, with all risks and regularly

monitor the effectiveness of its risk management system some of the respondents are disagree with the same.

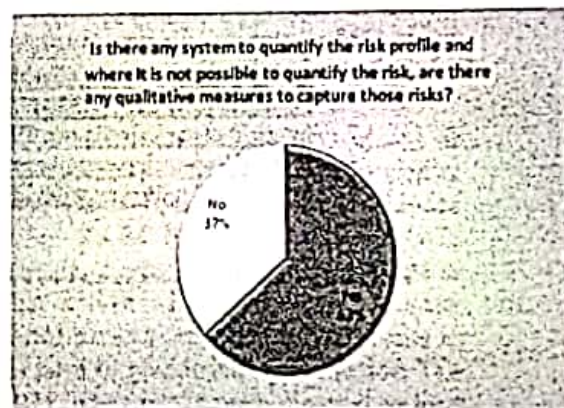
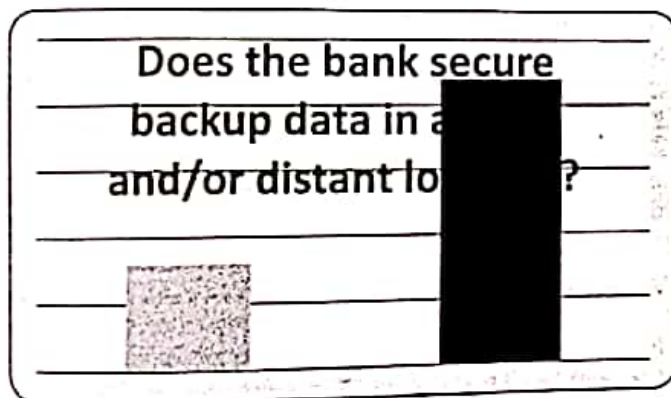
Table: Several key aspect of Risk Management

STATEMENTS	SA	A	NAND	D	SD	STD. DEV	MEAN
The management recognize internal and external factors posing potential risks to the bank	9	13	7	1	0	5.477	7
The management set limits for acceptable level of various risks	10	15	5	0	0	6.519	5
the management actively involves in sketching up strategies for risk management	14	15	1	0	0	7.778	7.5
The risk management strategy flexible enough to deal swiftly and adequately, with all risks	9	14	5	1	1	6.066	5
The management have in place a system for controlling risks on an integrated basis	10	15	5	0	0	6.519	7.5
The management regularly monitor the effectiveness of its risk management system	8	16	4	2	0	6.325	4

The above table indicates the analysis of view of respondents. The study shows that the Std. Dev. Is more than 5 for factor posing potential risks, setting of limits for acceptable level of various risks, planning of strategies for risk management etc whereas mean value for regularly monitor the effectiveness of its risk management system is 4 and other is 5 or more than it.

The below chart indicates 63% respondents are in the agreed about the quantify of the risk profile and qualitative measures to capture those risks.

The bank management does not want to relieved about secure backup data in a vault.



**CONCLUSION:**

ERM as a process is a long and arduous journey. It's a never ending process and the risk convergence journey can be divided into three broad phases of coordination, alignment and integration. The initial convergence program is mainly focused on streamlining of basic activities, including developing a common risk language and framework, identifying and reducing redundancy, and sharing data.

The banks which have embarked on the process find silo infrastructures, people's natural resistance to embracing major operational changes, and inflexibility of existing legacy systems. A successful ERM process would ensure that risk taken by bank is compensated by

commensurate level of reward and the bank is completely aware of the amount of risk that it wants to take on.

Many banks are now looking at ERM to integrate risk and control processes and create a common framework for assessing and monitoring all kinds of risks. An integrated model helps in delivering tangible benefits in terms of costs associated with compliance and gives better picture of risk being faced by the bank.

The risk management process becomes more robust because of common data structure and a common technology architecture supporting the entire process.

#### RECOMMENDATIONS:

In light of the aforementioned findings, the following recommendations are made:

There should be strategic plan for banks to help banks in the implementation of enterprise risk management since enterprises risk management framework has been adjudged the industry best practice

2. Supervisory framework should be involved in the building of enterprise wide risk management implementation by banks in order to reduce the attendant cost and encourage banks as a measure to forestall future financial crisis

3. Finally, the directors of banks and policy makers should be on the forefront of the adoption of ERM in order to strengthen the enforcement framework and strengthen individual banks

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# A STUDY ON IMPACT OF E-STORES ON RETAIL SECTOR IN MUMBAI

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## ABSTRACT

*In this study, an attempt has been made to highlight the impact of online trade business on retail sector in Mumbai region. Online shopping is growing at a faster pace keeping behind local retail sectors. This study looks into the various factors that are affecting retailers due to e-stores. Several discounts and offers attract the customers to shop online. Further, a customer can get various options in various brands within the budget at their door steps in few clicks. In present scenario, most of Mumbai citizen, especially youth are indulged into online shopping which is found convenient, time saver, flexible, in budget according to them. This is obviously affecting local retail outlets in Mumbai, large, small or new stores. Researcher will find impact on sales pattern, promotional criterions and challenges faced by retailers in Mumbai region. To bring out the validity and feasible solution, researcher has focused more on primary data with sample size 50 retail stores. This study will help retailer to grow and cope up with e-stores. This study is restricted to Mumbai region only and concentrates on retailers. Through online platform not only seller can get buyer across the country but also with the speedy delivery services they are able to attract more & more buyers at minimum delivery charges, charged to them. Study will help to give brief idea of present and future situation in marketing transactions offline as well as online. E-stores connect buyers and sellers easily which affect local retailer's growth and developments.*

## INTRODUCTION

E-commerce is buying and selling of goods and services using online websites. Retail stores also perform the similar functions, only they have physical existence surrounding us. Online business is very much convenient for buyer and seller both as transactions are done in just few clicks. It reduces the cost of inventory maintenance, various rents, processing cost, overheads, etc. On the other hand, customers get wide range of variety, delivery at door step, easy transactions, discounts and offers. But, it is immensely affecting retailers in our locality. They are losing their sales and profit. Business is dropping every-year. To cope up with online stores, they forcefully give heavy discounts and offers which sometimes give them very nominal profit or no profit. Some customers visit retail stores just to get knowledge and information of products that they are looking for, their prices, physical appearance and buy from online shopping sites. It is attracting more youth now-a-days. This research will help the retailers to come up with more effective solution that can help them survive among e-business world.

## OBJECTIVES OF THE STUDY

- To understand the problems and challenges faced by retailers.
- To study various promotional criterion adopted by retailers.
- To bring out appropriate solutions.

## HYPOTHESIS OF THE STUDY

**H<sub>1</sub>:** There are significant problems and challenges faced by retailers.

**H<sub>0</sub>:** There are no significant problems and challenges faced by retailers.

**H<sub>1</sub>:** There are significant promotional criterions adopted by retailers.

**H<sub>0</sub>:** There are no significant promotional criterions adopted by retailers.

## METHODOLOGY OF THE STUDY

The data for the study is collected through primary and secondary sources. Primary data has been gathered through structured questionnaires and personal interview. Questions are framed based on the problems and objectives of the research. Study is specifically based on Mumbai Suburban

for which 50 retail respondents are considered. Secondary data is collected by reviewing various published articles, journals at national and international levels.

### IMPORTANCE OF THE STUDY

This study is conducted in Mumbai where everyday number of competitors are increasing and coming up with new challenges for others. Study discusses various impact and factors that are affecting local retail business. Research has concentrated more on conventional retail stores. Research shows problem solutions to it.

### REVIEW OF LITERATURE

Forbes communication Council, Feb 22, 2018; has published the article on 'What the Amazon Effect means for retailers', states that Amazon has entirely changed the concept of E-stores as compared with retailers. There is drastic change in commerce. According to article, every year more no. of retail stores is closing their businesses. Sales from retail sector are dropping down. Every year online stores are coming up with new features, product line/mix, attractive schemes, and early policy. According to Forrester reports, \$1.26 trillion worth of offline retail sales were affected by digital media. According to reports, retail sector is also providing customer with digital shopping option to match with e-stores, which helps to increase sales and stability.

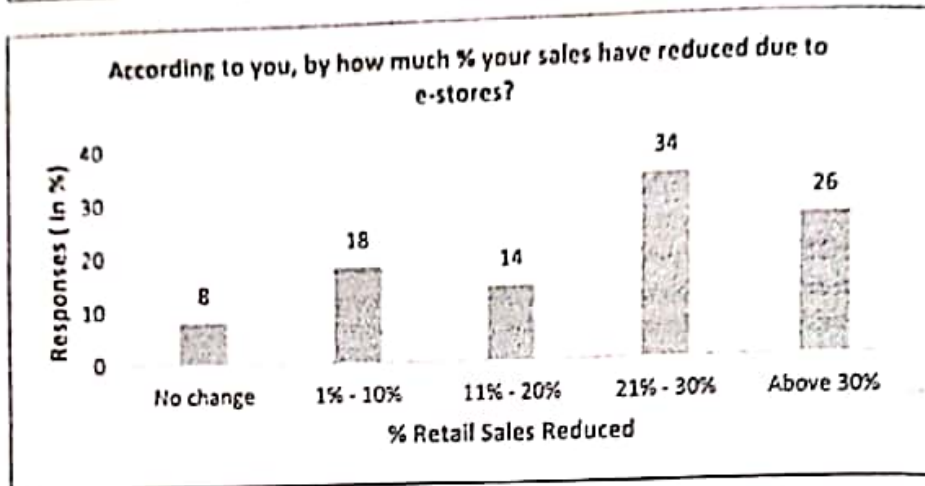
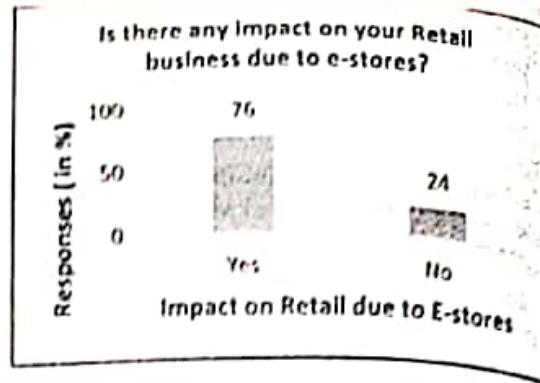
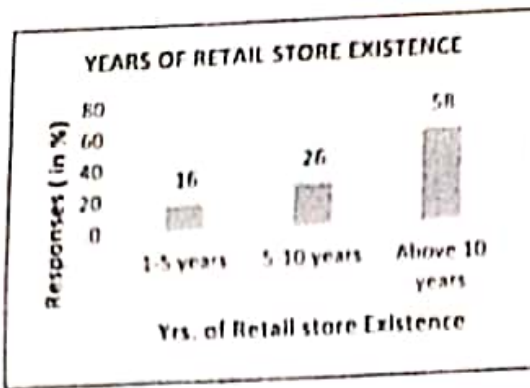
Amit Saha, e-ISSN: 2278-487X, p-ISSN: 2319-7668; has studied on "A study on the impact of online shopping upon retail trade business" as stated that e-stores are constantly taking over large number of retail stores market share, providing customer with wide range & comfort. Retail stores profit has decreased noticeably. Retail stores are closely retail and focusing on service sector. Majority of customers visit retail stores just to find its price, quality and overall appearance and buy from online site at lower rates. Comfort level is more observed in e-stores shopping. Researcher has concluded research by finding some solution to the problem and taking sample size up to 50 retail stores from Guwahati city.

Menal Dahiya (2017), has conducted the research study in Delhi on, 'Study of e-commerce and its impact on market and retailers in India' has described various market and retail forms that are existing and running in local areas. Researcher through study has put forth various impact of e-commerce on retail sector right from promotional schemes, customer satisfaction till company image, brand image and reputation that is affecting. Study says, e-commerce is good scope of development and provide ease and comfort to customers, but at same time it is adversely affecting profit, sales margin of retailers and some are even forced to shut down or shift their business due to loss incurred. Researcher has stated few solutions to improve the present situation.

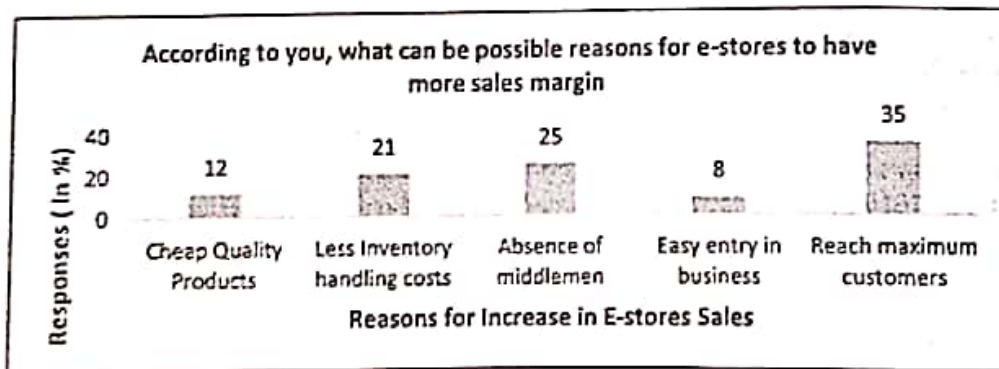
Juao C Cost (2016), has conducted research on, 'Impact of online shopping on conventional retail stores in South Goa: An Empirical study' has concentrated more on selective conventional retail stores and how they are affected due to online shopping. Researcher has taken 100 retail respondents for the purpose and used SPSS software to validate the study and put forward the interpretations. Researcher has suggested various solutions such, to provide discounts during festivals and occasions seasons, increasing the product mix/line, provide options as e-stores, fast delivery at nominal charges or free of cost.

### DATA ANALYSIS AND INTERPRETATION

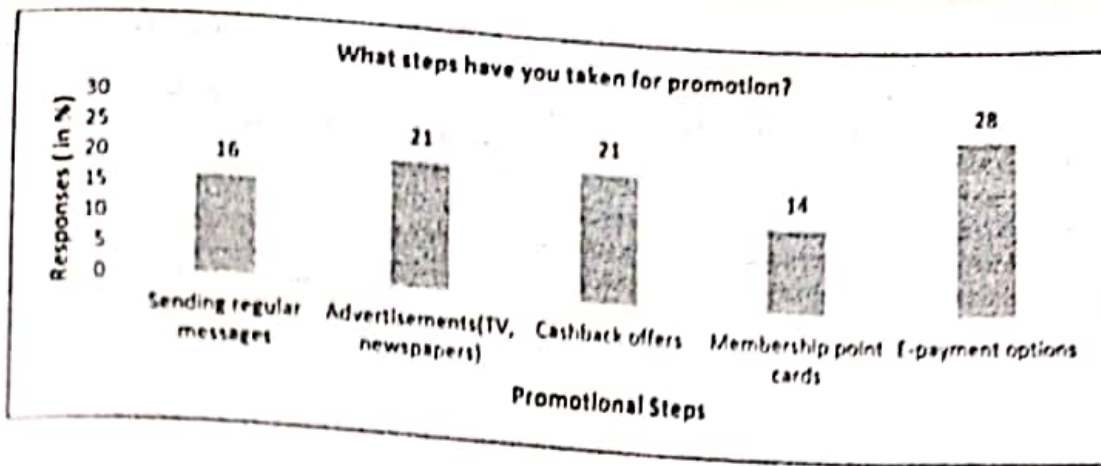
According to research, 58% of retail stores have their existence for more than 10yrs and 26% of retail stores have their stores not more than ten years and 16% stores are newly started. Stores who have a greater number of establishments found limited impact or no impact due to e-stores as they have strong goodwill, product line/mix and customer loyalty. Second graph states that 76% retails have faced some challenges and obstacles in smooth flow of business.



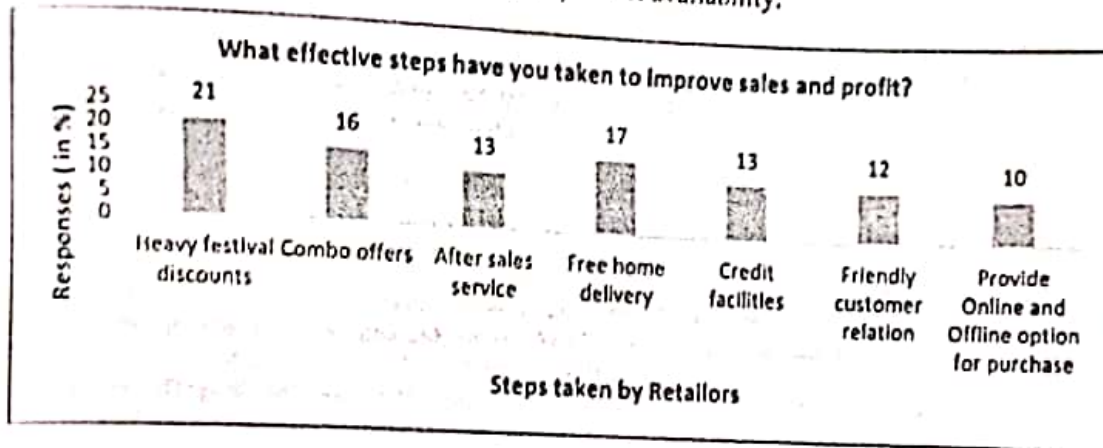
Above given graph states the changes/ reduction in sales that they have faced in past years right from emergence of e-stores till date. Maximum number of retailer's states that their sales reduction is up to 21-30%. Some new start-ups have even faced loss of 30% sales. While some retailers have faced no changes in their sales and running business successfully as earlier.



Here are some reasons wherein, according to retailers, why there is drop downs in their sales. Most of retailer says that they cannot reach customers far and wide like e-stores. The area of coverage is restricted. Some says that due to absence of middlemen, agents the price of product is reduced and afford to sale in cheaper rates and e-stores do not have to maintain any stock. As per the orders by customers, they keep delivering directly to them which is not possible in retail stores, maintaining stock is mandatory.



Most of retailers go for E-payment options to provide convenient in payments and transactions with dealers, suppliers and all customers. Some retailers have created their own websites to give various shopping options, variety and payment options to match up with e-stores. 21% retailers go for giving advertisements and cash back offers to attract the customers. While some has even suggested for giving membership cards and points system and sending regular messages and updating about new offers/ combo offers/ new product availability.



These are the steps taken by retailers to increase the sales and profit margin, customer loyalty, strengthen public relations and attract a greater number of customers.

According to further research conducted (using Likert scale), 46% retailers says that their network and distribution chains is restricted to local areas only. They cannot reach to far away customers.

42% retailers agree that e-stores have changed the mind-set and perception of customers with regards to shopping. Most of youth are highly attracted to e-stores shopping which is affecting adversely to local retailers.

46% retailers strongly agree that customers are strongly influence by the offers and discounts given in e-store shopping.

36% retailers disagree that incapability of sales force does not affect growth, sales and profit while 32% retailers strongly agrees that competent and well-trained salesforce should be hired. Salesforce also help in increasing sales and maintain good relations with customers.

40% of retailers strongly agree that It is possible for e-store to sell at reduced price a retail store has to bear the cost of overheads.



## CONCLUSION

Customer should always be at priority whether it is e-stores or retail stores. Their needs and expectation should be studied. Regular offers and discounts to be given to customers to attract them and visit retail stores around them. Sales-force should be well-trained. Retailers should charge reasonable price so that customers won't go for online shopping. Stock should be maintained in adequate quality and good quality to be provided. Any kind of grievance or complaints should be immediately sorted. As per an old saying, 'Customers are king of market' retailers should keep these words in mind. If there are customers, they are safe. It is essential to have complete market knowledge and tackles with challenging situations.

## SUGGESTION AND RECOMMENDATION

- > Acceptance of plastic money. Swipe machines should be used by all retailers.
- > E-wallet, UPI payment mode should be made in use.
- > Heavy offers should be provided, to give demo and trials wherever possible.
- > Display of merchandise should be attractive, convenient and user-friendly.
- > Retail stores should also have online websites where customer can find products which are convenient to browse and make transactions.
- > Innovative promotional tools should be promoted.
- > Website that is created should have various options just as e-stores have and always be updated.

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## HUMAN RESOURCE ACCOUNTING: AN EMERGING TOOL FOR MEASURING PERFORMANCE IN EDUCATION SECTOR

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### Abstract:

Human resource plays the most important role in the growth and development of an enterprise of any country. Human Resource plays a vital role in the progress of an organization. The investments directed to raise knowledge, skills and aptitude of the work force of the organization are the investments in human resource. HRA is the demand of the contemporary era. It is an accounting measurement system of work force. The importance and value of human assets were recognized in the early 1990s when there was a major increase in employment in firms in service, technology and other knowledge-based sectors. Human resources, contributed significantly to the building of shareholder value. The critical success factor for any knowledge based company was its highly skilled and intellectual workforce. HRA has not been introduced so far as a system. Knowledge workers are important resources for the education sector, with the growing complexities of education sector, the need and importance of competent people is increasing continuously. The proposed study is based on emerging tools for measuring performance in education sector with reference to Mumbai City. The proposed study is descriptive study and the targeted respondents are 50 employee college of Mumbai City.

### Key Words:

Human Resource, Human Resource Accounting, Performance Measurement Scale, Investment in Human Resource, Knowledge Management

### Introduction:

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Education plays an important role in a nation's social and economic development. Education generates highly brilliant personnel and nurtures them as better citizens of a country. This stream involves huge investment and technical experts but it takes long time to showcase their achievement. An intellectual asset is one of the key factors for success and growth of an institution. In education sector raw material and finished goods is workforce. Unlike other sector it very difficult to institutions to account the HR in financial statement. The standard body has come with several models which have been used by many organizations. But the application of it in education sector is slightly difficult and challenging. The faculties are the real asset for an educational institution. These Human Assets are more important than any other physical assets. Their work need to be recognized and appreciated by institutions. Unlike tangible assets these assets cannot seen and count but it can be notice over the period of time.

The growth of a company purely depends upon the quality of human resources. It is accentuated that human element is the most important input in any corporate enterprise. The investments directed to raise knowledge skills and aptitudes of the work force of the organization are the investments in human resource. It is one of important factor of production among the 7Ms. In this context it is worthwhile to examine the values of human resource accounting practices in corporate sectors in India.

The research has curiosity to know about what is important of HR?, how the institution deals? On what basis their promotions take place? Is there is any specifies methodology? The present study will provide the platform for HRA as a tool for measuring the performance of faculties in educational institutions. It may help in exploring the hidden talents of the teachers and better service to the institution and society. With this intention the research as formulated the following objectives.

#### **The objectives of the study:**

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- To understand the concept of Human Resource Accounting
- To study the available approaches of HRA.
- To review and analysis that HRA is measuring tools in education institutions.
- To obtain the viewpoints of Principals and Employees about the performance measurement of teaching faculties

#### **The problems of the study:**

1. Teaching faculty's performance is measure through Academic Performance Indicator (API) for CAS (Career Advancement Scheme) which is not widely implemented in education sector.
2. The concept of HRA is a performance indicates which is negligible in education sector.

#### **The Hypotheses of the study**

1. Teaching faculty's performance is measure through Academic Performance Indicator (API) for CAS (Career Advancement Scheme) which is not widely implemented in education sector.
2. The concept of HRA is a performance indicates which is negligible in education sector.

#### **Research Methodology:**

##### **Sources of Data Collection**

The study is a descriptive research. Source of data collection is primary and secondary. Primary source of data is collected through the feedback collected with questionnaire. Secondary sources of data are collected from books, journals, reports, newspapers and various websites.

##### **Universe of Sample Size**

The researcher has considered Universe of sample size as 50 from education sector specifically Employees and Principals. Based on geographical limitation, time and

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availability of the respondents the researcher has selected 30 respondents from Mumbai City.

### **Tools of Data Analysis**

To analysis the data the researcher has selected basic arithmetical techniques and simple tools such as percentage, mean and median etc.

### **Scope and Limitation of study**

The study on HRA as emerging tool for measuring the performance is divisive task in education sectors. The evaluation and accounting performance HR is challenging and reviewing about it is again tedious task for a researcher. Hence the researcher has kept limitation for the study. The researcher has kept into consideration the following limitations:

1. Geographical area from college in Mumbai City.
2. It may be aided or unaided college.
3. The respondents may be Employees and Principals.
4. Any other aspect arises in the study process.

### **Concept of Human Resource Accounting**

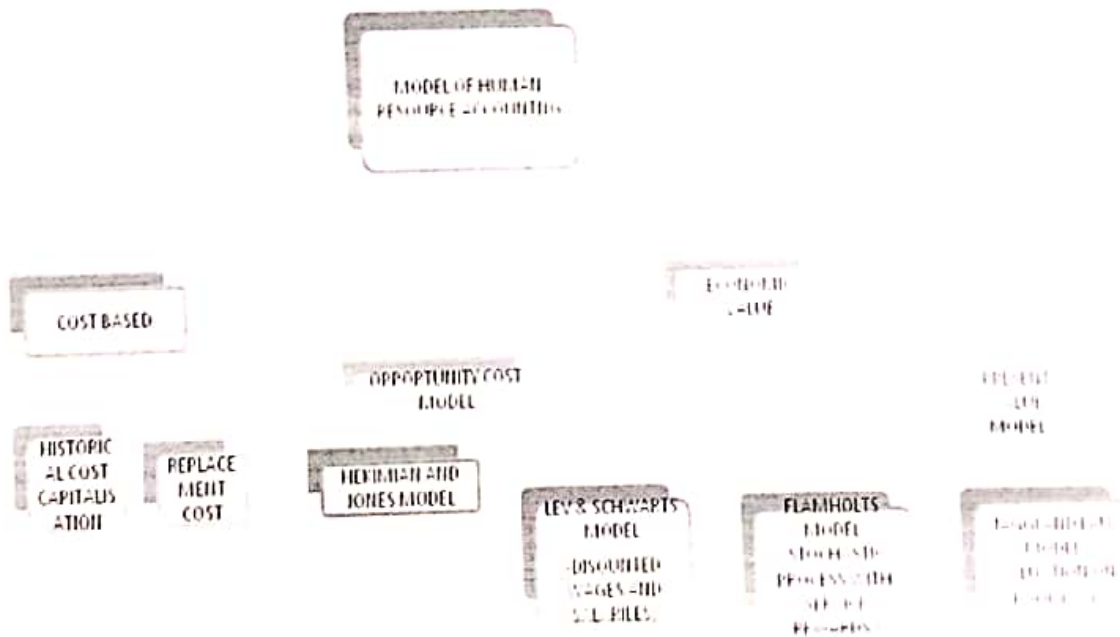
Human Resource Accounting (HRA) is modern branch of accounting. It is based on the traditional concept that all expenditure of human capital formation is treated as a charge against the revenue of the period as it does not create any physical asset. But now a day this concept has changed and the cost incurred on any asset (as human resources) should be capitalized as it yields benefits measurable in monetary terms. It means accounting for people as the organisational resources. It is the measurement of the cost and value of people to organizations. It involves measuring costs incurred by private firms and public sectors to recruit, select, hire, train and develop employees and judge their economic value to the organisation.

As per, the American Accounting Association's Committee on Human Resource Accounting (1973) has defined as "the process of identifying and measuring data about human resources and communicating this information to interested parties" HRA, thus, not only involves measurement of all the costs/ investments associated with the recruitment, placement, training and development of employees, but also the quantification of the economic value of the people in an organization

Alfred Marshall says that, "The most valuable of all capital is that invested in human beings."

Flamholtz (1971), as define HRA as "the measurement and reporting of the cost and value of people in organizational resources".

**Models of HRA**



**REVIEW OF LITERATURE**

Mohandas Pai, Chief Financial Officer, Infosys

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“Real assets will not appreciate much as businesses get commoditized. Innovation and intellectual power are going to be the key to the future.”

“Our main asset is our people”

To consider something as an asset:

- a. It should have legally enforceable claim.
- b. It should be owned by the entity with an objective to derive service from it in future.
- c. The major-premise being that they are valuable resources to an organization
- d. Investments in such asset will help corporate decision makers.

(Bullen, 2007) When managers go through the process of measuring human resources they are more likely to focus on the human side of an organization. More likely to consider human resources as valuable organizational resources who should be managed as such. For example in a potential layoff decisions, with use of HRA measures in addition to only traditional accounting measures management is better likely to see the hidden costs to the organization's human resources and the long-term implications to the human assets. This is because HRA views human resources as assets or investments which must be maintained for long-run productivity.

HRA is not useful to the management alone in achieving its economic goals. It could also be the source of important information for investment decision purposes. The inclusion of appropriate human resource data published in financial statements in all likelihood; make such statements for more meaningful in predicting future performance which of course is the principal concern of investors (Jawaharlal Lal, 2009).

Dilip Kumar Sen stated that HRA aids the decision making process and the representation of a complete picture of financial position of an organization by quantifying the value of HR and disclosing the same in external financial reports.

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Mc Guire, D., Garavan, T.N., Saha, and S. & O'Donnell (2009) stated that the relationship between the individual values of managers and HR decision-making by drawing on data collected from Canadian and Irish line managers. HR decisions are increasingly devolved to line managers and no longer the sole preserve of the functionalist personnel or HR department of the industrial era. HR's effectiveness and their value affect the decision making process of managers.

Ajay Kr. Singh & Lavanya & Rastogi (2011) pointed out the value of human resource depends upon the contributions in achieving organizational goals. However, it is difficult to measure separately the contributions made by different assets to the outputs. The assets other than human are recorded at the cost incurred in getting the right to use and hold those assets as a surrogate measure of value but Human Assets are deprived off this treatment.

In 1991 the American Institute of Certified Public Accountants (AICPA) formed a Special Committee on Financial Reporting to address a growing concern about the relevance of Orthodox Financial reporting and disclosure to the modern economy. According to the committee number of substantial areas has improved

As ICAI does not issue any accounting standards but the ICAI had incorporated the Human Resource Accounting in CA final. Value based statement to organization to calculate the value of employees on the basis of expenditure incurred by the company.

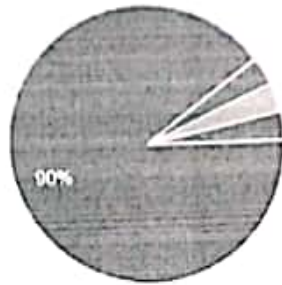
### **ANALYSIS AND INTERPRETATION:**

Following is an analysis and interpretation of data collected in form of charts and graphs

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### Designation

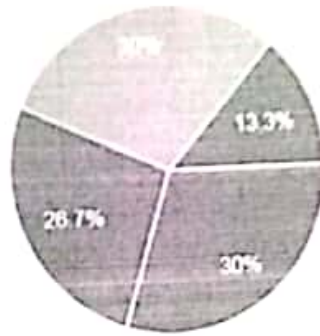


- 90%
- 10%
- 0%
- 0%

### Primary Sources

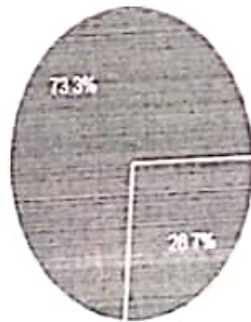
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### Number of Years Experience



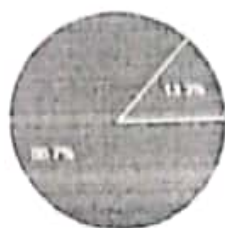
### Primary Sources

### Types of College



### Primary Sources

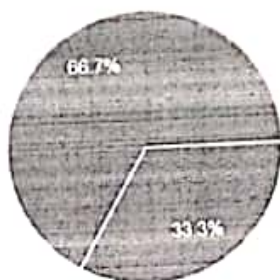
Aware of Human Resource Accounting



Legend:  
● Yes  
● No

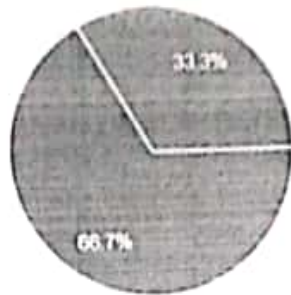
### Primary Sources

Have you gone through Career Advancement Scheme?

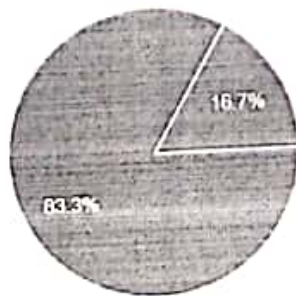


Legend:  
● Yes  
● No

API is the HRA indicator



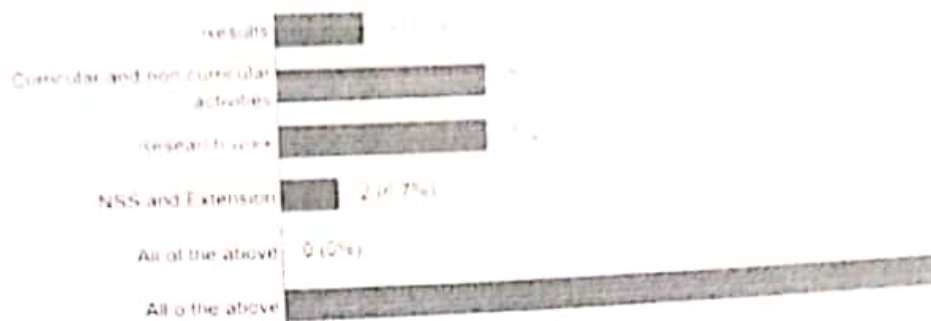
Academic performance of faculty is documented by institute



**Primary Sources**

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Performance appraisal is based on



### Primary Sources

Do you think HRA is \_\_\_\_\_ API

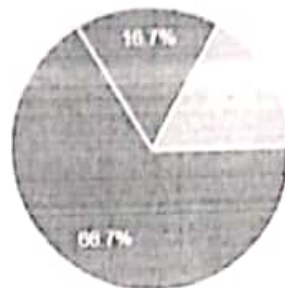


- Equal to
- Part of
- vice versa
- None

### Primary Sources

St. Francis Institute of Management and Research

## Human Resource Accounting is performance measuring tools



### Primary Sources

#### FINDINGS OF STUDY:

1. Majority respondents are Asst. Professor
2. Maximum responded having teaching experience between 0-6 years
3. More than 73% respondents are from unaided colleges
4. Maximum 86.7 % respondents are aware of Human Resources Accounting
5. More than 60% respondents are from unaided section
6. Nearly 66.7% respondents are in favor that API is the HRA indicator
7. As per the responses it has been proved that documentation related to Academic Performance preserve by an institute
8. As per the respondents all the elements are important for performance appraisal of faculty
9. Nearly, 56.7% respondents are suggested that HRA is part of API. As 20% respondents are assuming HRA is other than API. And only 10% respondents are suggested that HRA equal to API.
10. Maximum respondents are agreed that Human Resource Accounting is performance measuring tools.

#### SUGGESTIONS OF THE STUDY:

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1. With the opinion of respondents it may be assumed that teaching faculty is aware of Human Resources Accounting which evaluate and account the intellectual capital.
2. It is accepted by the faculty that API is the HRA indicator. In terms of CAS
3. All the documents related to the API have to keep as evidence by the institute for future reference for the faculty and institute
4. The performance appraisal is consisting of several activities, which is mention under the UGC guidelines for CAS
5. As HRA is one of the important tools for measuring the performance appraisal still awareness is needed.

**In the open ended question on why CAS is needed in terms of HRA, the respondents has come up with the following suggestions:**

1. For several purpose of college is needed
2. To know the efficiency of teachers
3. The institute will come to know about the nature and quality of teacher
4. To measure performance
5. To maintain records
6. For the promotions of staff
7. It helps in pushing faculty to look at non-academic and student welfare work with utter seriousness
8. To know the value of their employee
9. Measure the performance of faculty
10. Future planning and work design
11. Sustainable development
12. To understand the improvement needed.
13. Lot of instability in self finance section... we never know will be retained or not retained... It's a gamble
14. It will help to track the performance of employees
15. Yes, for evaluation

## CONCLUSIONS:

Human capital is getting wider attention with increasing globalization. Developed and developing countries put emphases on a more human capital development towards accelerating the economic growth by devoting necessary time and efforts. Thus intellectual capital development is one of the fundamental solutions to enter the international arena. Specifically, in education sector invest necessary resources and evaluating the performance of the teaching faculty. It has been noticed and studied that HIRA is a tools for evaluating the performance but at the time most of the institute still has to follow the CAS for the recognition the performance of the faculty. Still faculty need to understand the concept of HIRA and its implication in the education sector. Studies also clearly substantiate the fact that human capital and intangible asset had a positive and insignificant impact on organizational performance. The study recommends that other possible variables that might contribute to human resource accounting and organizational performance be included in further empirical study.

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- 14.[https://www.researchgate.net/publication/49613448\\_HUMAN\\_RESOURCE\\_ACCOUNTING\\_ACCOUNTING\\_FOR\\_THE\\_MOST\\_VALUABLE\\_ASSET\\_SET\\_OF\\_AN\\_ENTERPRISE](https://www.researchgate.net/publication/49613448_HUMAN_RESOURCE_ACCOUNTING_ACCOUNTING_FOR_THE_MOST_VALUABLE_ASSET_SET_OF_AN_ENTERPRISE)
- 15.<http://www.yourarticlelibrary.com/human-resources-human-resource-accounting-meaning-definition-objectives-and-limitations/32403>
- 16.<http://www.yourarticlelibrary.com/accounting-human-resource-accounting-concept-objectives-and-limitations-details/62551>

# A STUDY ON RISK MANAGEMENT IN ONLINE TRANSACTIONS – THE ISSUE OF NETWORK AND SYSTEMS SECURITY

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## ABSTRACT

Over the past decade, e-commerce creates exciting new opportunities for business but also brings new web application vulnerabilities and transaction security risks. A stream of news of phishing attacks, website spoofing, payment card skimming (credit/debit card fraud in online transactions), malware attack (malicious code attack of viruses, worms, Trojans and backdoor trojan), infiltration, vandalism, identity theft and data breaches of payment card or bank details are increasingly reported. E-commerce web application security risk management, therefore, is examined to better e-commerce online transactions, including credit payments, payment information, knowledge and sharing, processing. Therefore, the main purpose of this study was to propose a web application security risk management methodology to protect e-commerce web application security risk management, reduce risk level and improve their e-commerce web application security risk level. In order to achieve this purpose, the goal of this study has been twofold:



1) What management methodology is required to promote the e-commerce web application security risk reduction mechanism and improvement?  
2) How the proposed management provides all the critical e-commerce web application vulnerabilities can be revealed, analyzed, prevented and remedial effected and efficiently moving on again in a continuous cycle.

## KEYWORDS:

Risk, Prevention, Common Criteria, E-commerce Web Application, Vulnerabilities

## INTRODUCTION:

Risk management can be considered a component of a wider enterprise risk management system. In the past, security breaches occurred at the network level of the organization's information systems. Today, e-commerce web application vulnerabilities are increasingly the focus of attacks from external and internal sources for the purpose of committing fraud and identity theft. E-commerce web applications, that handle payments (online banking, electronic transactions or using debit cards, credit cards, PayPal or other tokens) have more compliance issues, are at increased risk from being targeted than other websites and there are greater consequences, if there is data loss or alteration.

Over the past decade, e-commerce creates exciting new opportunities for business but also brings new web application vulnerabilities and transaction security risks. A stream of news of phishing attacks, website spoofing, payment card skimming (credit/debit card fraud in online transactions), malware attack (malicious code attack of viruses, worms, Trojans and backdoor trojan), infiltration, vandalism, identity theft and data breaches of payment card or bank details are increasingly reported. E-commerce web application security risk management,

therefore, is essential for secure e-commerce online transactions, including order processing, payment transaction, banking and clearing processing.

E-commerce web sites are vulnerable to web application attacks because of easy internet access and vulnerabilities due to weaknesses in design, implementation, testing, operation and maintenance phases. It is therefore essential for organizations to take serious consideration of employing limited resources to secure their e-commerce web applications.

The key to securing organizations e-commerce web application vulnerabilities is to establish a disciplined risk management process with implementation procedure to perform periodical assessments and improve web application vulnerabilities.

### OBJECTIVES OF THE STUDY

1. To identify how online payment system work.
2. To protect information from being altered either in storage or in transit
3. To be certain that only authorized entities have access to information
4. To be capable of generating an audit trail for verification of transactions

### PROBLEM OF THE STUDY:

1. Though online transactions are considered a lot in the market but still there are certain attacks in terms of third party interruption that can be taking place
2. The study involves a survey on the attitude of people for not using P-Payment system even though it is easy to access, quicker mode of transaction and so on the following points on have been taken into fray while carrying out the study: -

### HYPOTHESIS:

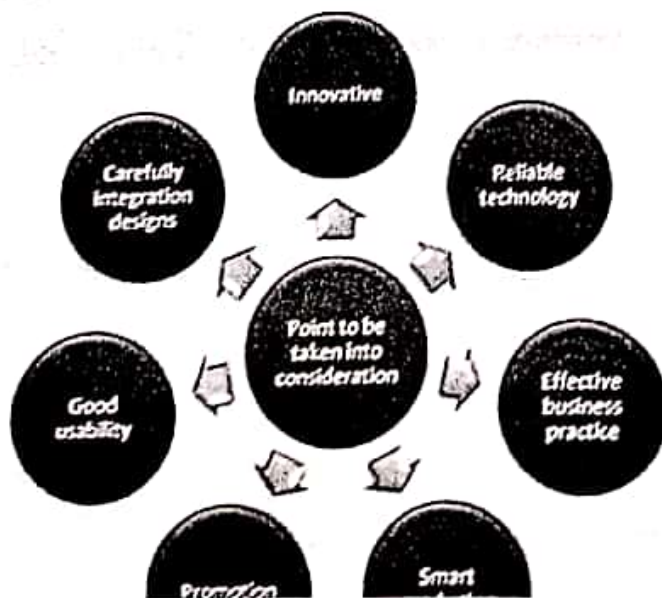
- H0: Safe online transactions cannot be taking place and the risks cannot be effectively managed  
 H1: Safe online transactions can be taking place and the risks can be managed

### Research Methodology

The present research is based on primary as well as secondary. The researcher has tried to achieve the outcome for stated objective, problem and hypothesis based on survey. There are 150 targeted respondents but due several limitation of the study, data is collected only form 100 respondents. The secondary data was collected through certain reference books as well as digital medium was used

### Risk management in e-commerce transactions

Today, e-commerce has become a trend of modern economy with its outstanding platform called



Magento. Because it's a new trend so online store owner cannot avoid risks in transactions. The management of risk in e-commerce transactions is considered the most important factor for the long term survival of your business.

These risks may relate to internet fraud, information

security, payment methods or even e-commerce terminals. Understanding how an e-commerce  
merchant handles billing is often vital to success. Even very small e-commerce merchants  
understand the risk associated with doing business online. A merchant who understands it  
is more likely to address the technical risks and take your staff in understanding the following  
1. Understand the risks and their own staff.

Your staff should know what you risk your e-commerce business the more you use with  
payment. Your business should have a standard set type of risk management in order  
to follow.

### 1. Ensure information security

Information here includes customer addresses, buying records, payment processes. Merchant  
costs, orders, to protect so you need to ensure good security all the time. Some will bring  
concerns to you. You need to ensure security and customer process for continuing information  
control over the internet before you can get e-commerce business online.

### 2. Select the right account and merchant services provider.

The right account and merchant services provider will provide you with the information  
support you need to ensure understanding of e-commerce from risk and liability associated with  
online transactions. You will also want to consider an account provider with excellent  
customer support when making your selection.

### 3. Create and display effective prices

Your website must list your prices, shipping rates and return policies in clear text.  
Customers should not be forced to search for items. This will give more confidence and  
convenience for customers to visit your e-commerce site.

### 4. Use collection efforts to minimize losses

You have control over most types of transactions and especially the ones resulting from  
processing orders. A well-designed collection system can help reduce  
unwanted transaction losses.

All methods above are just some among a lot of methods to limit risk in e-commerce  
transactions. You should follow these suggestions to develop your online business strategy.

## The Technical Problems

Every new technology, when adopted and used in the world, it faces a set of technical  
problems. It takes time for people getting familiar with it. The same goes with the technology. For  
payment, a new one should be so that, being involved and understood as a new way of receiving  
payments. The other important problem is not having good infrastructure to support and expand  
the e-payment system. A merchant has to understand the importance of e-payment as a strategic way to  
sell and expand its activity in every field. The other problem is to ensure the flow of  
data and the exchange of data with the e-commerce. The infrastructure and the services in  
the use of e-commerce and e-payment every day are based on data that may have a lot  
of data and the infrastructure is the internet. As it is the infrastructure of all over the  
world, the infrastructure should be well developed in all country. It has a lot of importance in the  
field.

## Risk management

In an increasing number of banks there may be a strategic reason for engaging in electronic  
banking and electronic money activities. It reduces the use of electronic banking and  
electronic money may increase the efficiency of the banking and payment system, increasing  
productivity and productivity. At the same time, as the preceding discussion indicates, there are risks

for banks engaging in electronic banking and electronic money activities. Risks must be balanced against benefits; banks must be able to manage and control risks and absorb any related losses if necessary. Risks from electronic banking and electronic money activities should also be evaluated in the context of other risks the bank faces. Even though electronic banking and electronic money activities may represent a relatively small portion of the overall activities of banks currently, supervisors may still require senior management's assurance that critical systems are not threatened by the risk exposures banks take.

The rapid pace of technological innovation is likely to change the nature and scope of risks banks face in electronic money and electronic banking. Supervisors expect banks to have processes that enable bank management to respond to current risks, and to adjust to new risks. A risk management process that includes the three basic elements of assessing risks, controlling risk exposure, and monitoring risks will help banks and supervisors attain these goals. Banks may employ such a process when committing to new electronic banking and electronic money activities, and as they evaluate existing commitments to these activities.

It is essential that banks have a comprehensive risk management process in place that is subject to appropriate oversight by the board of directors and senior management. As new risks in electronic banking and electronic money activities are identified and assessed, the board and senior management must be kept informed of these changes. Prior to any new activity being commenced, a comprehensive review should be conducted so that senior management can ensure that the risk management process is adequate to assess, control and monitor any risks arising from the proposed new activity.

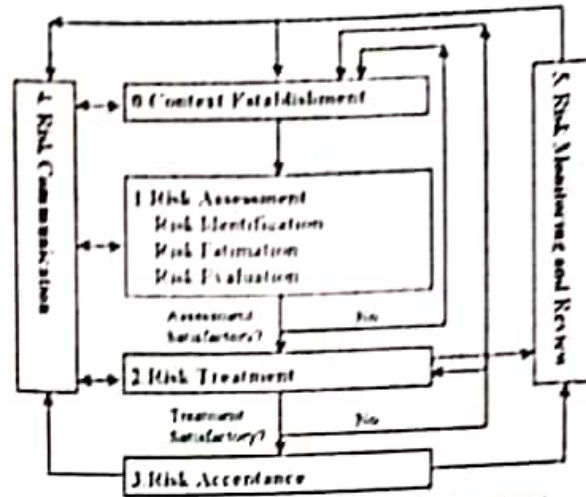
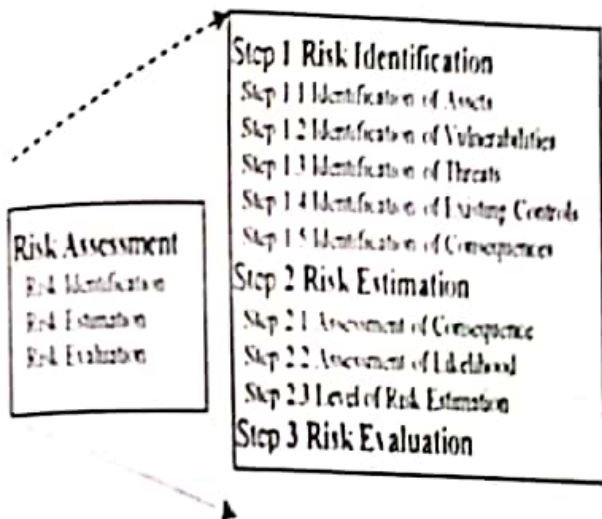
#### **E-Commerce Web Application Security Risk Management Methodology**

Information security risk management is the process of identifying vulnerabilities in an organization's information systems and taking carefully reasoned steps to assure the confidentiality, integrity, and availability of all the components in the organization's information systems.

The objective of the ISO/IEC 27000 family is to provide a model for establishing, implementing, operating, monitoring, reviewing, maintaining, and improving an Information Security Management System. It involves a review of the existence and completeness of key documentation such as the organization's security policy, Statement of Applicability (SoA) and Risk Treatment Plan (RTP).

In order to overcome the limitation, in this study we propose a risk management methodology with technique and procedure to perform periodical assessments and continual improvement of the web application vulnerabilities. The risk management methodology integrates an organized set of principles, methods and techniques into a disciplined process. This process constitutes a generic framework. The proposed risk management methodology is disciplined in a Plan-Do-Check-Act (PDCA) based framework, using the OWASP Top Ten as target items, Common Criteria attack potential ratings as threat likelihood scales and the FIPS 199 impact categories as impact consequence scales to categorize severity of every Web application vulnerability item.

To put it more briefly, the proposed web application security risk management methodology is the process of: (1) web application security risk assessment, (2) web application security risk treatment and (3) web application security risk acceptance. Figure 2 shows the process of the web application security risk management methodology.



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The security risk for a given e-commerce web application vulnerability that could be exercised by threatources under existing controls can be expressed as a function of:

- (1) The likelihood of the threatources attempting to exercise a given vulnerability,
- (2) The magnitude of the impact should the threatources successfully exercise a given vulnerability,
- (3) The adequacy of planned or existing security controls for reducing or eliminating a given vulnerability.

The e-commerce web application security risk assessment process involves identification and valuation of the web assets to be secured, the assessment of threats to those assets, and assessment of vulnerabilities. In this study, we propose a web application security risk assessment methodology to implement the security risk assessment. Once we estimate levels of risk for the web application vulnerability items, the organization can plan which higher-risk vulnerabilities will require further treatment.

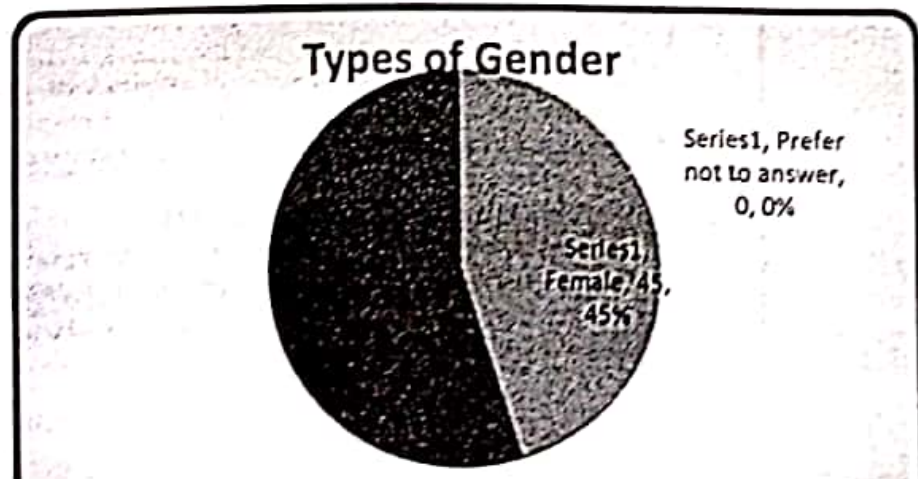
### Privacy and Confidentiality

One of the goals of e-business security is privacy and confidentiality. Privacy or confidentiality involves making information accessible to only authorized parties, or restricting information access to unauthorized parties. Privacy concerns did not originate with the Internet. However, conducting business over the Internet has exacerbated the situation. As an example, one context in which this issue has been addressed extensively is the area of confidentiality of electronic health data. There have always been concerns about confidentiality in health care. Online intermediation has complicated the problem and heightened the misgivings that already exist.

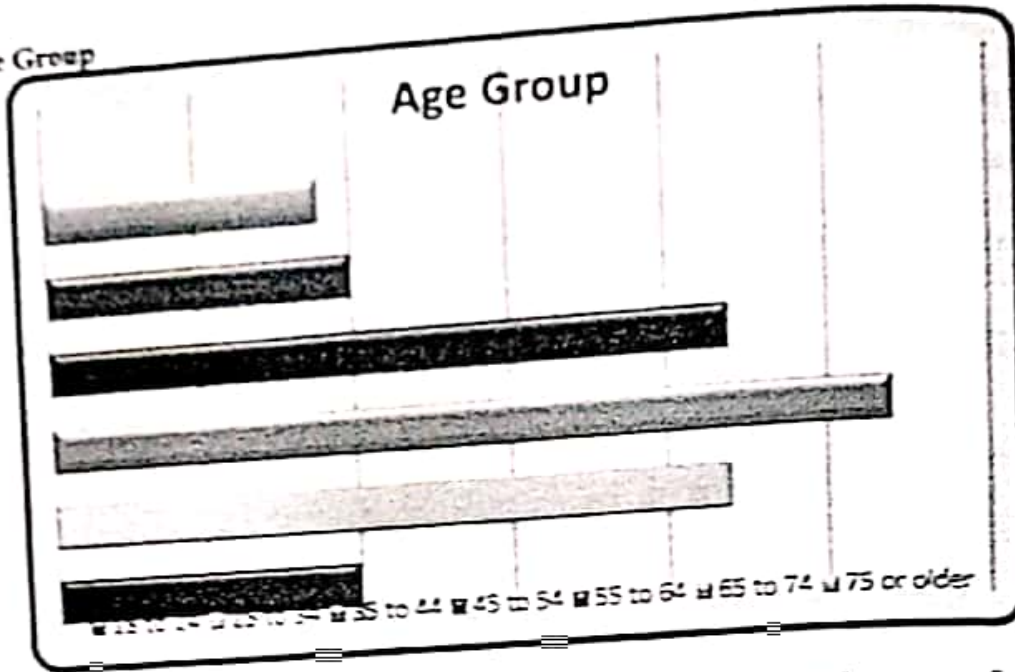
### ANALYSIS AND INTERPRETATION:

The following is the analysis:

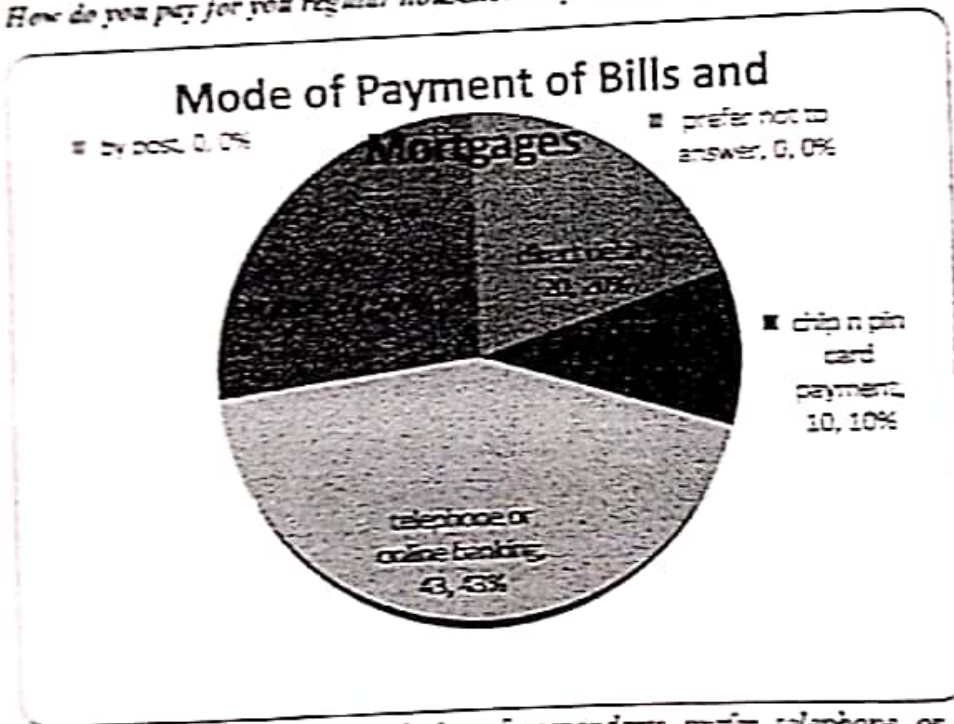
#### 1. Types of Gender



2. Age Group



3. How do you pay for your regular household expenses such as bills and mortgages?

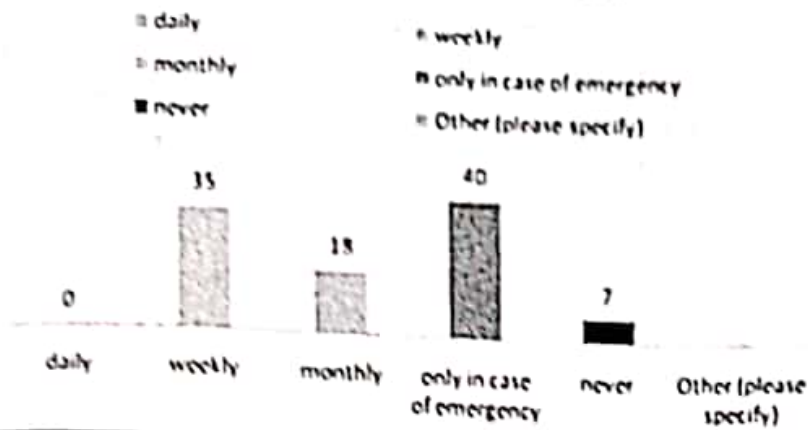


The chart shows that majority of respondents prefer telephone or online banking transaction in order to pay the bills and mortgages. 27% respondents prefer to pay expense by cash and nearly 20% pay it with direct debit card.

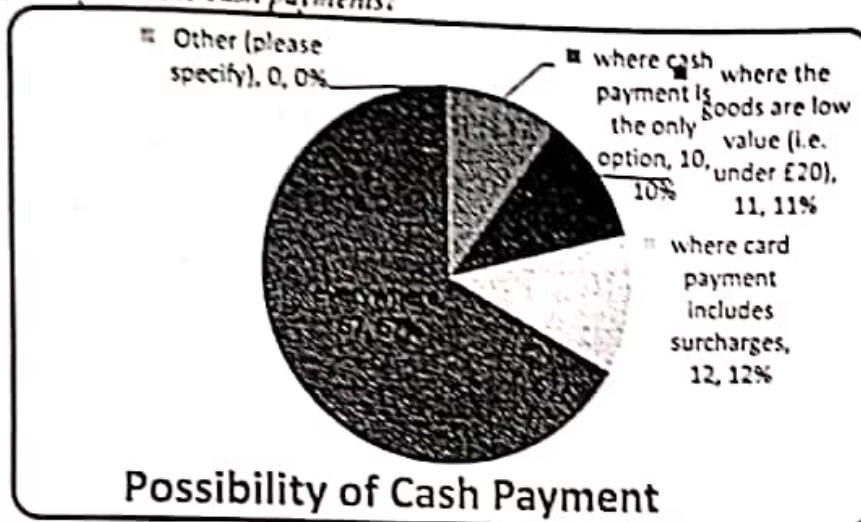
4. How often do you draw cash out of an ATM?

The following charts indicate the frequency of use of ATM by respondents. It shows that majority of respondents using weekly and as per need of respondents. Only 7% respondents are not using ATM. It may due to age group.

## Frequency of use of ATM



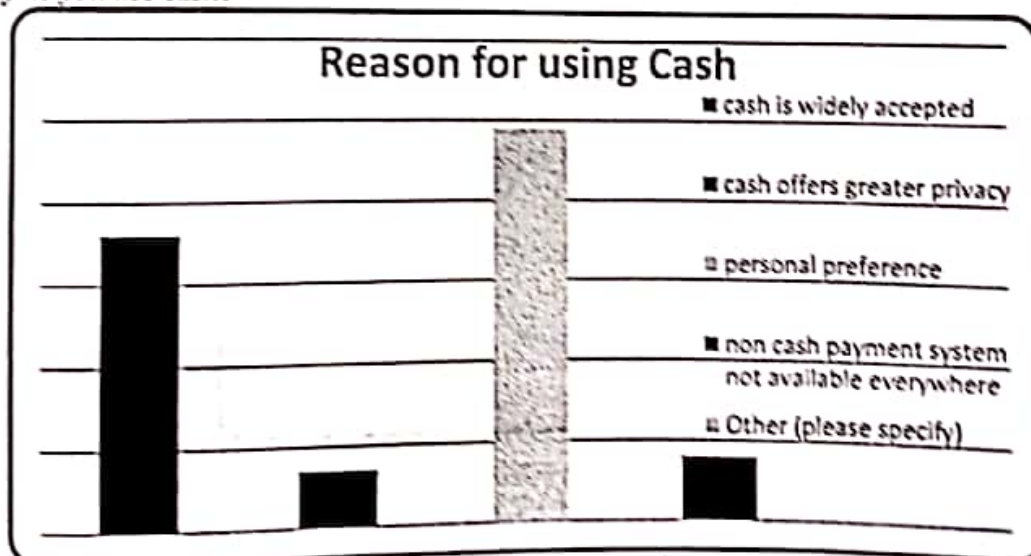
### 5. Where do you make cash payments?



### Possibility of Cash Payment

The above chart reflect about the possibility of cash payment as as per the situation. The study shows that cash is one of important mode of payment.

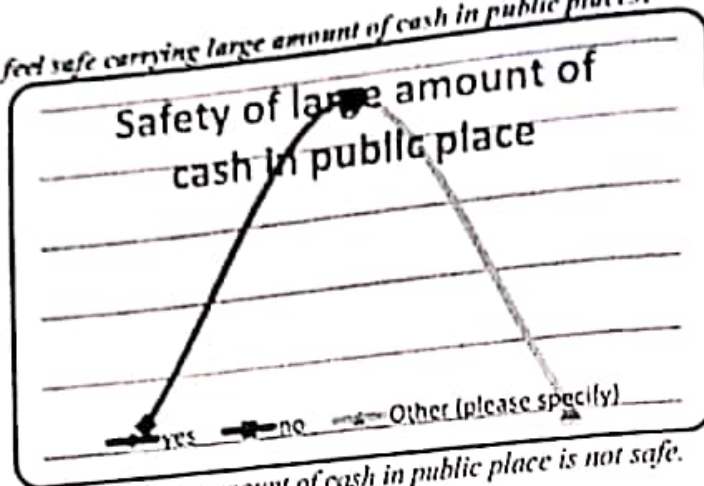
### 6. Why do you use cash?



The above chart shows that the cash is widely accepted mode of payment. The payment is also based on personal preference of the payee.

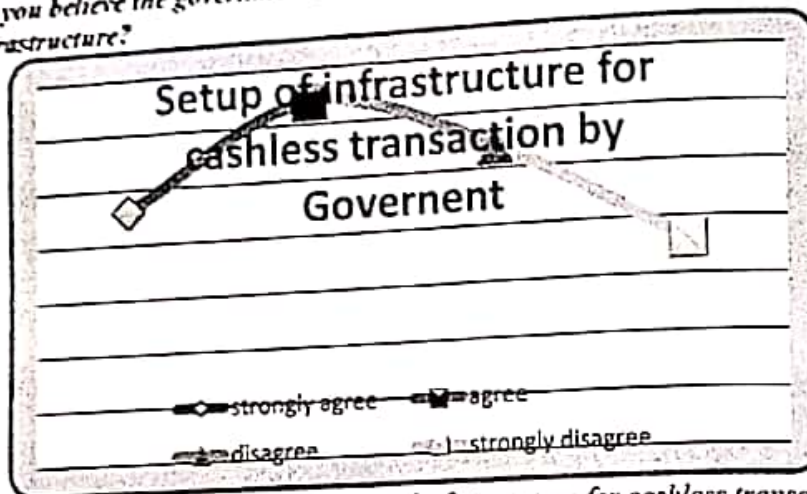


7. Do you feel safe carrying large amount of cash in public places?



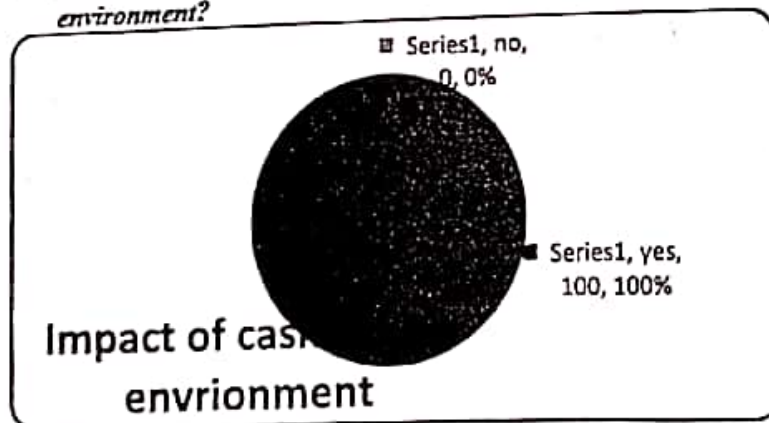
The above safety of large amount of cash in public place is not safe.

8. Do you believe the government should do more to set up a cashless payment infrastructure?



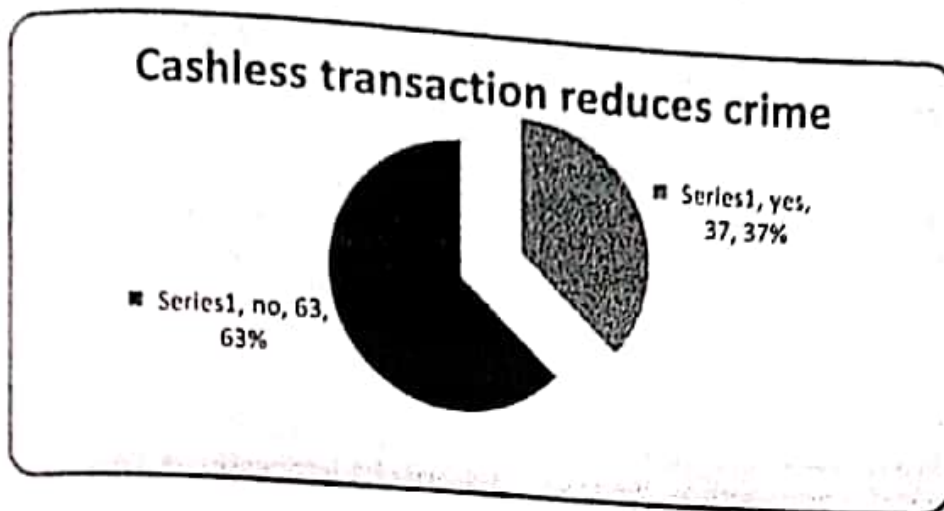
The above chart indicates about the setup of infrastructure for cashless transaction by the government. Majority respondents are in the faover of making agreement.

9. Do you believe minimizing the use of printed bank notes will have a positive impact on the environment?

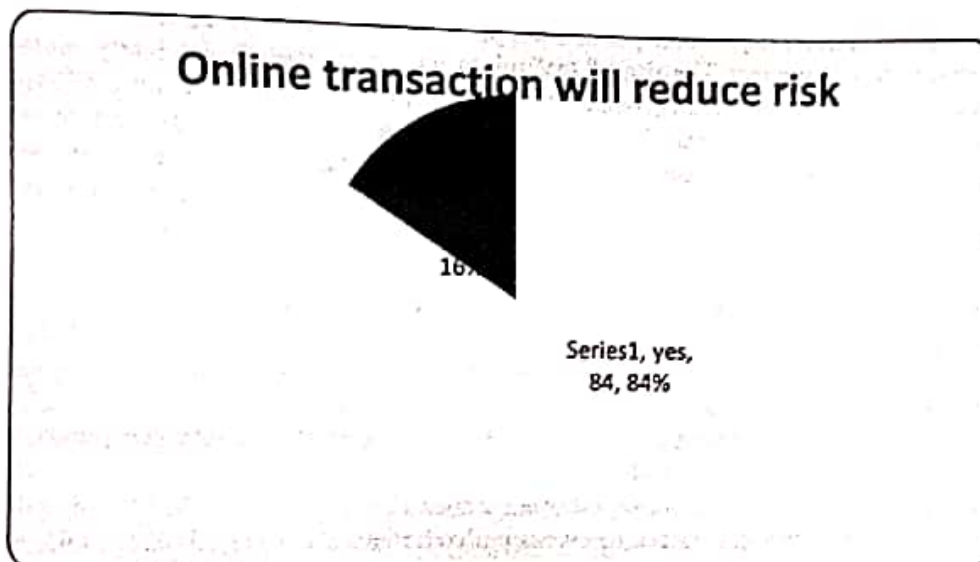


The above chart indicates that there is direct impact of cashless on envrionemnt. It will save the paper.

10. Cashless transaction helps in reduction in crime?  
 Crime is one of the major drawbacks in form monetary aspect.



11. Do you think that by online transactions the risks have reduced?



The above chart indicates that to a great extent online transaction will reduce risk. It is supported by 84% respondents.

**FINDINGS:**

1. The use of online transaction is depend upon the age group of an individual.
2. In todays digital era most of the customer use online trasaction and hence they prefer to pay online.
3. As the use of ATM bare certain amount hence the user try to use it limited or as per the demand.
4. The cash payment of expenses is based on the requirement and availability of cash.
5. The use of cash is based on widdely acceptance and individual perference.
6. It has been noticed that cash is unsafety at public place
7. As the primary aim of our nation is to be paperless. Government taking efforts for the same. Building infrasturture for the same is difficult and expensive.
8. Cashless trasnsaction will have postive impact.
9. Financial crime is always associated with cash.

## SUGGESTIONS

- 1) Revise the role of issuers and consumers to hinder security threats
- 2) Identify ways to increasing interests among businesses
- 3) Reduce the usage of traditional payment methods

## CONCLUSION

E-commerce is undergoing huge growth in terms of the volume of goods and services that are being traded on-line. New areas such as B2B and the related business to- government (B2G) e-commerce are developing as well as the potential for large numbers of people engaging in m-commerce from wireless handsets are increasing. Even the most optimistic estimations of e-commerce still place the goods value at less than 1% of the total value of goods and service traded in the conventional economy, so as larger numbers of people come on-line, there is plenty of scope for growth. In order to bring an on-line transaction to completion, payment must be fully integrated into the on-line dialogue. Banks will find a demand from their large business clients to effect high-value bank mediated transfers of funds easily and efficiently. Similar demand will be experienced in Europe and Asia and, to a lesser extent, the developing world. It may be that developments such as Worldwide Automated Clearing House (WATCH) may eventually lead to a situation in which individuals and organizations transacting on the Internet can easily move funds to and from any country in the world. It may be that these new payment systems providers can be more agile in responding to customer needs and may supplant banks for certain classes of payments. This is particularly appropriate in countries whose banking infrastructure is less developed than advanced countries. A large number of companies have developed universal payment portal offering a whole host of ostensibly free information and services to consumers; The use of real micro payments, though, is clearly more flexible and allows a much clearer link between the content delivered and the amount paid. M-commerce is undoubtedly the most active area in electronic payments. As telecommunications manufacturers and network operators seek to define the shape of the mobile Internet, startup companies are busy coming up with new ways to make payments on-line. One very large area of uncertainty is the degree to which the mobile Internet will resemble the fixed-line Internet. With the advent of modern technologies in telecommunications, infrastructure and protocols, future payments will be made through e-payments by Business to Business, Business to Customer, Customer to Government.

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