



SAMVAD

We Chat



Mr. Rishi Varshney
Head Digital
Customer Experience
Oracle Financial
Services

Featured Article

**Internet of Things :
Emergent Technologies**

Also Read

**Digital Money:
The Bitcoin
Revolution**



OUR VISION

“To nurture thought leaders and practitioners through inventive education”

CORE VALUES

Breakthrough Thinking and Breakthrough Execution

Result Oriented, Process Driven Work Ethic

We Link and Care

Passion

“The illiterate of this century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn.” - Alvin Toffler

At WeSchool, we are deeply inspired by these words of this great American writer and futurist. Undoubtedly, being convinced of the need for a radical change in management education, we decided to tread the path that leads to corporate revolution.

Emerging unarticulated needs and realities need a new approach both in terms of thought as well as action. Cross disciplinary learning, discovering, scrutinizing, prototyping, learning to create and destroy-the mind's eye needs to be nurtured and differently so.

WeSchool has chosen the ‘design thinking’ approach towards management education. All our efforts and manifestations as a result stem from the integration of design thinking into management education. We dream to create an environment conducive to experiential learning.

Dear Readers,

It gives me great pride to introduce Samvad issues every month. Our Samvad team's efforts seem to be paying off and our readers seem to be hooked onto our magazine. At WeSchool we try to acquire as much knowledge as we can and we try and share it with everyone. I sincerely hope that Samvad will reach new heights with the unmatched enthusiasm and talent of the entire Samvad Team.



Prof. Dr. Uday Salunkhe,
Group Director

Here at WeSchool, we believe in the concept of AAA: Acquire Apply and Assimilate. The knowledge that you have acquired over the last couple of months will be applied somewhere down the line. When you carry out a process repeatedly it becomes ingrained in you and eventually tends to come out effortlessly. This is when you have really assimilated all the knowledge that you have gathered.

At WeSchool, we aspire to be the best and to be unique, and we expect nothing but the extraordinary from all those who join our college. From the point of view of our magazine, we look forward to having more readers and having more contributions from our new readers.

Samvad is a platform to share and acquire knowledge and develop ourselves into integrative managers. It is our earnest desire to disseminate our knowledge and experience with not only WeSchool students, but also the society at large.

Prof. Dr. Uday Salunkhe,
Group Director

OUR VISION

“To facilitate exchange of ideas that inspire innovative thought culture”

MISSION

To Dialogue

To Deliberate

To Develop

To Differentiate

As the student magazine of WeSchool, Samvad is greatly inspired by the words of Alvin Toffler backed by a strong vision of facilitating exchange of ideas that inspire innovative thought culture. Samvad is a platform for the next generation leaders to bring forth their perspective on management to the world and gives the readers an opportunity to learn, unlearn and relearn on a continuous basis.

The team of Samvad is driven by a set of strong WeSchool values which enable us to create a dialogue leading to knowledge gaining and sharing, to deliberate on the information, to develop a sense of creativity and differentiate our minds with innovative thoughts of tomorrow; today.

“ The only wrong move when it comes to Digital Transformation is not to make any move at all.”

- Didier Bonnet, Capgemini

Dear Readers,

Welcome to this issue of Samvad!

Digitization is not just a passing fad but has been around for quite a long time. It's just recently that the speed with which the transformation is taking place has gained momentum. This flux has in turn led organisations, big and small, to adapt and gear up to face the changing market landscape.

Digitization has touched every strand of our life and has transformed the way we play, communicate, shop, work and even socialize! It's not limited to a particular sector or area of work either. Big Data and SMAC are being used in product marketing, customer outreach campaigns, employee engagement as well as in the field of logistics and supply chain management.

With several corporate leaders actively endorsing & putting their weight behind their company's digital transformation initiatives, we thought it fit to have this month's issue on the theme Digital Transformation. Through this issue we have tried to give you a glimpse into how digitization has led to rapid changes in industries and how it could revolutionize the world even further. In addition to a host of student articles on this theme, we also have a We Chat interview with Mr. Rishi Varshney, Head- Digital Customer Experience Business, Oracle Financial Services. Being an expert in this field, Mr. Varshney shares with us his seasoned insights on various pertinent issues

I hope you enjoy reading this issue just as much as we did developing it. Do remember to write back with your valuable feedback and suggestions. We would love to hear from you on what you thought of this issue, and inputs, if any, to make it a more interesting and engaging reading experience. Stay with us for our upcoming issue on Emerging Economies.

Until then...

Read better to know better!!!

Best wishes,
Anuja Kadam
Editor

Team Samvad would like to extend its heartfelt thanks to certain key members of the WeSchool family for their special efforts towards the making of this magazine.

We deeply appreciate the constant motivation & encouragement that our beloved **Group Director Prof. Dr. Uday Salunkhe** has always given us. His vision & result orientation has been the driving force in creating brilliant leaders and making WeSchool a name to reckon with, not only in India but also globally. His focus on the core values of Passion, We Link & Care, Result Oriented Process Driven Work Ethic and Breakthrough Thinking has formed the foundation of all the activities that we undertake as students of this esteemed institute.

We deeply appreciate the help and support given to us by **Prof. Deepa Dixit**. Her insight and expertise is our driving force to ensure the sustainability of our magazine.

We appreciate **Prof. Indu Mehta** for her help in selecting the best Marketing articles. She is a part of our core Marketing faculty at WeSchool.

The Finance articles were scrutinized by **Prof. Sapna Mallya** and we thank her for choosing the most relevant and informative articles.

We appreciate the efforts of **Prof. Jyoti Kulkarni** for selecting the most interesting articles in General Management domain.

The Human Resources articles were scrutinized by **Prof. Rimmi Joneja**. We thank her for choosing the best articles.

We would like to thank **Ms. Yashodhara Katkar**, General Manager - Liaison, WeSchool and her PR team for helping us to reach out to our readers. Also, we thank **Ms. Prachi Shah** and her team for helping us out in the website updates of Samvad

We are indebted to **Prof. Jalpa Thakker** for all her help and guidance in the making of Samvad. Her insight and suggestions have been of tremendous benefit to us. The Samvad Team would truly be incomplete without her.





WeChat



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An Interview with Mr. Rishi Varshney

By: Team Samvad

(Head - Digital Customer Experience Business, Oracle Financial Services)

1. Please take us through your professional journey right from the start of your career?

After graduating as a mechanical engineer from IIT Kharagpur, I joined Oracle India where I worked as an ERP Solutions Architect. Subsequently, I decided to pursue my MBA and majored in finance and strategy from IIM Lucknow. At IIM, I was campus placed in Virtusa. At Virtusa, I had an opportunity to work across different roles and responsibilities including project management, account management and business development.

During my stint at Virtusa, I started to realize the potential of digital transformation and took the mandate to lead the business development and solutions for their business process digitization line of business. After Virtusa, I joined Capgemini where I helped establish their digital transformation solutions unit. Around the same time Capgemini had partnered with MIT for its study on 'Digital Transformation' and it was an exciting time to be working in this domain. I was responsible for driving the digital growth in Capgemini and in two years we were instrumental in significantly expanding the team size. I have recently rejoined Oracle, but now work for their financial consultancy services. As a Practice Head for digital banking, I work with major banks and financial services firms and advise them on the various aspects on digital implementations and help them realize the digital change within their organization.



2. What are the emerging trends in the digital customer experience space and what are the parameters to measure it?

With products and services getting commoditized, Organisations have realized that pricing and discount strategies is not always the best strategy to beat and stay ahead of competition. Digital is the key for sustainable differentiation. With rapid digital proliferation the consumer expectations has changed. They want more transparency in the way they engage with an organization, they would like organizations to engage with them in the channel of their choice – be it mobile, social, online, ATM, kiosk, call center – and yet deliver a consistent experience across them; they expect ease, speed and accessibility to information. Last but not the least customers expect organizations to know them better. In wake of these changing consumer expectations, there are several emerging trends that are reshaping industry. For instance, there is focus on convergence of experience across channels.

Meaning, no matter which channel users like to engage with an organization, the experience should be seamless and consistent. With mobile and social media revolution, there is emerging trend to align business strategy with mobile and social strategy. There are a new set of digital entrants such as start-ups and non-conventional players who are directly heading into a completion with the traditional players. As an example, Apple, Google, Alibaba are providing payment solutions to the customers. They already have a large customer base and therefore the cost for new customer acquisition is very less compared to Banks.

Then there are these start-ups focusing their attention to either solve a particular business problem in the entire equation or are evaluating new digital technologies such as Internet of Things, Wearables, etc within the consumer context. In order to reduce operational cost, Organisations are also moving to cloud. This is a great shift and I see that in the coming decade, many organizations will operate completely in cloud. There is also growing trend to leverage on Analytics to improve real time customer engagement and deliver personalized and relevant information to their customers.

3. How can India's unbanked sector benefit from digital transformation? Which other sectors in India do you think are rapidly adapting to and benefiting from digitization especially in the wake of the Digital India campaign?

The question has a broader perspective. Firstly, we need to understand what the word 'Digital' means. It has a different connotation for different people and sectors. If asked to a person in the Media, he would relate it to online publication of articles, which is relevant to his industry. If you look at the banking sector the interpretation would be different. So it is

required for us to understand digitisation. The Digital India campaign launched by the government is an ambitious program which intends to bring e-governance and transparency in the way business operates. It also aims to foster participative governance by bringing infrastructure to the interior part of the country.

I would like to highlight that 'digital' in my opinion is about delighting your customers. Someone might say that digital existed way back in 1970's and 1980's. We have digital cameras, T.V's and printers from 90's. So we might think what is the necessity of digital transformation now? The last 5 years have been phenomenal with the world getting more connected. Social transformation and mobility has brought about a prolific transformation in the world we live.

Today the world is digitally enabled with people spending more time on social media platform. Expectations of people has changed, they want faster services and think all organizations should provide services at a click of a button. These digital expectations have demanded organisations to change and even governments have taken cognizance of this changing expectation of the people. A larger section of our population is young and they have grown up in the backdrop of such digital platforms. Therefore, Digital India campaign becomes more important.

Digitisation is not just about connectivity and accessibility, but also about how you reach out to people. You would have noticed as to how banks and telecom players are joining hands together in order to deliver banking services to places that are quite remote and where a bank branch does not exist. Facilities enabled using USSD protocol, essentially SMS based banking is a great step to get the unbanked sector benefit from digital technology.

If you ask me what are the other sectors adapting to Digital, then it would be retail, hi-tech, telecom, travel and hospitality. We are yet to see Healthcare, Manufacturing take benefits of digital.

4. Could you please elaborate on the systems/process flow used in developing a Digital Strategy for a company?

Aligning the digital strategy with the business strategy of the organisation and the top leadership's buy-in is of at most importance. Digitization could be aimed at multiple objectives be it acquiring new customers, improving internal operations or to go multi-channel. Let us consider the banking industry. A bank wants to generate more revenue via digital channels. It wants to improve its revenue via various digital products and services. They achieve this by either increasing the number of customers or by increasing the volume of sales from their existing customers.

We should be able to capture the attention of the customers through all the channels. The process for designing a digital strategy for an enterprise starts with looking at the digital strategy, prioritizing the road map to achieve the enterprise objectives, breaking the roadmap into clearly defined smaller chunks of objectives, integrating these objectives and finally building a change management model within the enterprise which would look into proper skilling and training of the organisational workforce. Integrating digitisation with every step of the process is of key importance here.

5. The potential opportunity of Digital Transformation is absolutely clear but how clear is the journey to reach there. India is still a developing country, is the importance being given to digital India misplaced or over estimated at this stage?

I don't think it is over estimated. Going Digital is now inevitable. As I said earlier, the consumer expectations have changed. India has a large section of population which is below 30 years of age. Many of them have grown through the digital age and therefore I see government's digital India campaign as a major booster to the digital initiatives within the country. However, the road is not without challenges. There are several obstacles such as lack of transparency in governance, inaccessibility of information to the public and poor infrastructure. I am certain that the current government is taking positive steps to overcome these limitations. Integration of strategies such as Make in India programme, skills development, training programmes and the tax exemption for start-ups are in the right direction.

Companies like Reliance Industries have pledged support to upgrade the current digital infrastructure. The impact of Digital India can be enhanced by bringing rural India into the mainstream of this project, improvement of communication between the Centre and state governments, educating people and developing an overall sense of leadership and commitment. Rural India is slowly getting access to digital services and other social networking platforms. Mobile governance in rural India is already being implemented by the agriculture ministry. It runs a programme for farmers to give them tips of farming.

Rural India is seeing a lot of mobility of information and the gap between the government and rural India is already narrowing. Within the next few years, we will get to see implementation of a lot of digital initiatives in the rural sector like provision of Wi-Fi in villages. This will give them easier access to apply for loans, transfer of money, etc.

6. What are the challenges India may face in the implementation of Internet-of-Things?

I believe, there is a lot of hype around IOT. There is obviously a well argued case in terms of how IOT will change the way we live our lives but it will still take a while from now for us to see some level of penetration of IOT in our day to day life.

When it comes to India it's a very big challenge at the moment. Our infrastructure is not connected for IOT to operate. We will need connected infrastructure and we will need technology wherein these different devices talk to each other. This technology is still getting standardized. There are several protocols that exist today using which the devices can communicate to each other.

Right now there is no standardization in the way Cisco sensors can talk to Samsung sensors. Therefore there is an implementation challenge when a lot of these companies, who are building the sensors, have proprietary technology in the way they talk to each other. Secondly, we have to consider the security perspective. There is lot of data getting streamed from sensors and data security is important. In my opinion, India is not ready to get into the phase of IOT. We are trying to get infrastructure in place for it but I don't see anything drastically happening in the next 2 to 3 years in this area.

7. What would be your suggestion and advice to Management graduates who are looking forward to working in this field?

This is a great and exciting area to work in with a lot of innovation happening around the world like wearables, connected cars, Internet of Things etc. Mobility has opened up a plethora of opportunities. There is lot of work happening in the area of payments such as P2P, NFC based payments, blockchain, etc. It is an interesting area where people are fundamentally trying to change the way they work. No matter what sector you are in; digital is penetrating every industry. For the next 2 years I see rapid growth in the digital world and the scope would widen for one's career development in this field. Therefore, I would advise my friends there to explore this area and stay updated about the digital industry. In terms of visibility in an organisation and career growth, I think digital is a great opportunity to pursue one's career in as it has footprint in all aspects of our lives.

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Internet of Things: Emergent Technologies

By: Prasanna Biru, MBA (2015-16), University of Findlay, Ohio, USA

The Internet of Things (IoT) is the evolution of mobile, home and embedded applications connected to Internet integrating greater computing capabilities and associated with data analytics to derive significant information. Billions of such devices are connected to the internet. As the related devices connect with each other, they can become intelligent system of systems and when these intelligent devices generate and share data over the cloud, analyse it, they can transform our businesses, our lives and our world in countless ways.

A day with IoT

The Internet-of-Things growing at a rapid pace, it can be bigger than the industrial revolution. Imagining a day in the future, the alarm clock notifies about the traffic, oven turns on pre-heat mode to fasten the cooking process, shower adjusts water temperature as per individual preference, fridge would notify items that are out of stock and the order be placed on confirmation. Smart car checks if the fuel is needed or any repair is to be made. The weather is predicted and the soil condition is checked if irrigation is needed. The house automatically adjusts itself on power save mode in our absence. Traffic re-directions are shown during accidents, speed control notifications sent to the car drivers. Orders are placed from anywhere and shop owner is notified when customer is around. At work, the computer wakes up and the day activities are displayed when we enter our cabin. Outsiders are scanned and notifications could be sent if the door needs to be opened or not. Based on the tastes, preferences and ingredients in the fridge, suggestions on recipes are suggested.

Even while shopping, instead of wasting time in trial room, the mirror itself gives a virtual picture of how we look on the dresses we see. Humans shall lead a simplified life with IoT.



Image Source: ebuyer.com The daily smart life

Impact of IoT on Business

IoT can be accountable for the way business will be looked upon. The impact can be broadly understood based on the business divisions.

Marketing & Strategy

Using the IoT, the Business model itself can be changed, reviewed in a different manner and the model can be more inclined towards the value creation and value capturing as the customer needs can be addressed on a predictive basis. The business offerings can be through over-the-air updates having synergy value. The IoT enables recurring revenues as the costs are minimized. The value capture control points are capable on adding the factor of personalization on the products and services offered. The generic strategies as told by Michael Porter, the differentiation, cost leadership and focus strategies can no longer be mutually exclusive

with IoT intrusion. They can be mutually fortifying in creation and capture of value.

Finance & HR

In the competitive market, given the limited resources available, any investment that a company makes has to be an effective, pro-active and well planned decision. The integrated systems' enormous data available instantly can be useful in better analysis and decision system can be developed in a robust manner. In the HR purview, the connected systems might help in better headhunting practices and the HR professionals can stay updated and the paper-work can be completely eliminated or atleast minimized to the extent possible. This makes the workplace greener and the resources can be used at the optimum level resulting in lower costs and better performance of the company.



Image Source: Dataflog.com, How Big Will the Internet of Things be?

Manufacturing & logistics

The manufacturing processes can be made efficient with the help of the integrated systems by improving their operational efficiency. The processes could be taken to the next level by automating them that will minimize the human interventions. This may be a cost effective method. IoT intelligent systems enable rapid manufacturing of new products, dynamic response to product demands, and real-time optimization of manufacturing production and supply chain networks, by networking machinery, sensors and control systems together.

In the field of logistics and transportation, IoT can include connected intelligence in infrastructure such as modern trucks, locomotives, ships with sensors. The sensing capabilities can be embedded in the phases of the sites of material transport to automate the entire processes. Sensors to detect the optimum routes and emergency re-routing can help in less transportation costs and lead to cost-cutting. Many companies have started reaping the benefits of investments in IoT. They provide one-stop solutions for specific business needs and requirements. The key players include Cisco and Microsoft. There are many other players in this market of integrated system data sharing, analysis and smarter technology innovations.

Challenges of IoT

Though the IoT could impact our lives and business world, there are certain concerns that everyone needs to be aware of. The main challenge is the privacy concerns. The security systems at home can be breached and the houses can be robbed. The sensitive information can be stolen and exploited. The other challenge is that the internet accessibility is not everywhere. Many parts of the world do not completely have the access to Internet the way Americans have. The acceptability in the society is also a challenge as there are many people who might be reluctant to change with the changing technology. Knowledge about the technology is also a challenge as there might be a scenario of sleepwalking into a machine world. Thus, by overcoming these problems IoT can be an excellent opportunity in the years to come.

Conclusion

IoT and Artificial Intelligence can be boon to the human kind. It is as prominent in the history as the advent of internet itself. This is going to revolutionize the way we lead life and the way we do business. If the security issues are addressed in such a way that the data security can be protected in a robust manner, the IoT and Artificial Intelligence can take the possibilities to the next level as IoT will have positive impact on the society.

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Digital Money: The Bitcoin Revolution

By: Barsha Priyadarshini, MBA (2015-17), XIMB, Bhubaneswar

When it comes to accepting something new, humans are not very accommodating. Any new idea is criticized amply at the start until it dies an untimely death or rises beyond the comprehension of the plebeian lot. One such powerful development in 500 years in the field of finance can easily be Bitcoin which is a digital currency.

The basic principles behind a currency are that there is always something of real value like silver or gold behind it and a centralized government agency to control it. Money is used for pricing, paying and saving. Bitcoin was born six years back from code instead of gold or silver. It is monitored by an internet protocol based on peer to peer protocol. It is just an entry in an accounting system referred to as the block chain or coin base. Possessing a bitcoin is nothing similar to having a currency note in a digital form. Owning a bitcoin (encrypted string of data) means having claims over an address called a bitcoin address that has a password. Bitcoin uses cryptography which is the basis behind its secure use.

The code for bitcoin consists of more than 33 characters. Thus it is quite impossible to generate randomly. Bitcoin is mined, sold, exchanged, bought, etc like regular currency. The code for bitcoin is open source and anyone can suggest changes. Currently, 10000 developers are involved in bitcoin coding.

Necessities satisfied are:

The basic necessity of money is that it should be mined scarcely. A limitation has been imposed on the mining of bitcoin and it cannot exceed 21 million. The currency should be lasting for a longer time and bitcoin lasts longer than paper notes or physical currency. The basic unit of a currency should not be divisible but larger sums or bundles are divisible. The same happens with bitcoin. Real currency is easily identifiable and distinguishable. Bitcoin's code is unique and P2P protocol ensures that it cannot be duplicated in any form. As with real currency, bitcoin can be used anytime and anywhere. Owners of real currency do not care about which exact currency note/coin they own as long as they all have the same value. The owners of bitcoins also enjoy the same privileges.

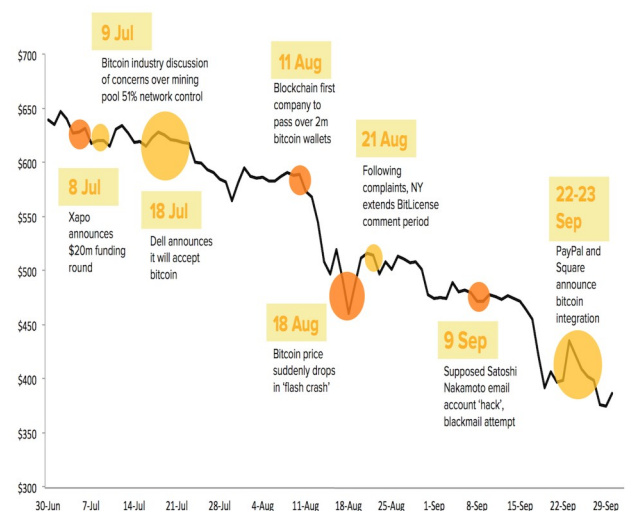


Image Source : <http://media.coindesk.com/>

Bitcoin users amount to 7 million now and it is growing every week. Total value of bitcoins has reached 5 billion dollars approximately. Bitcoin's potential for reaching the common people devoid of bank accounts is immense. Just the way in which bitcoin can create value is awe inspiring. It is completely safe and anonymous and your personal details are not divulged when you transact. With no intermediaries involved and no transaction fees, it mostly helps people who send money or transact globally on a regular basis. Also, banks have become notoriously powerful as they have been known to absorb the credit risk. With bitcoin, transactions may well be beyond the scope of banks and thus be free from bank failures.

The process:

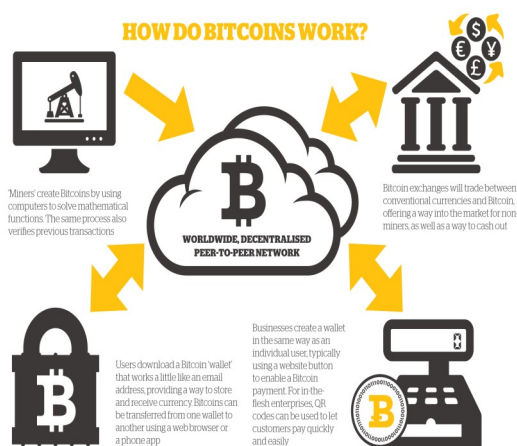


Image Source : <http://www.aatcomment.org.uk/>

When transacting online or using a credit card, there are a lot many intermediaries included namely the payer's bank, payee's bank, card associations, payment processor, billing processor, clearing house network, etc. When you are transacting using bitcoins, all you need to do is add some bitcoins to your wallet by buying it from brokerages and online exchanges. Then you can just use a QR code reader and initiate the transaction amounting to the value of the goods you buy. This will intimate the bitcoin computer network that you are transferring the amount. The alphanumeric data

is then broadcasted to the world and then picked up by miners who maintain the network and update the transaction. There is no intermediary compensation involved and the transaction is done within minutes instead of waiting 2-3 days after which the actual transfer of money takes place between banks for a normal credit card swipe.

The critics say:

Bitcoin has the tendency to fluctuate violently. It is quite expensive to verify and track as high level cryptography is used for security reasons. The peer to peer network uses brute force to compare and ensure that no unit of bitcoin is reproduced or spent twice.

Job losses due to obsolescence of intermediary services can lead to high unemployment even though the lack of transactional costs can increase the amount of money people have. In the fields of payment processing, property title transfers, accounting, law, its impact can be staggering.

Acceptance is limited to bitcoin merchants and certain websites. Its anonymity when it comes to transactions can lead to misuse for illegal reasons. Even though bitcoin itself is quite secure, the wallets that hold the bitcoins have been susceptible to cyber attacks.

In spite of all the negative implications and severe criticism surrounding bitcoin, the technology underlying bitcoin is here to stay. There is every chance that it may be enhanced with time and multiple versions of what we know today as bitcoin may well be on its way to replace regular currency in the near future. Its ubiquity when combined with adaptability can very well make the bitcoin the trendsetter in the new financial era.

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Digital Transformation: Banking with Payment banks & Small Financial Banks

By: Mihir Morbia, MBA (2015-17), NMIMS, Mumbai

Introduction:

Reserve Bank of India (RBI) has kicked off transformative changes in the financial system of the country by giving licenses to 11 Payment banks and 10 small financial banks that can generate revolutionary storm in the Indian financial system. The main aim of this is to bring weaker section of the society under formal banking.

For payment banks, RBI has granted licenses to big boys like Reliance Industries, Aditya Birla Group, telcos (Vodafone, Airtel), Indian Post, Tech Mahindra, Dilip Shanghvi (Sun Pharma promoter), PayTM, Vijay Shekhar Sharma (One97), National Securities Depository Limited (NSDL) and Cholamandalam Distribution Services Ltd.

The 10 applicants selected for setting up small finance banks include Au Financier Ltd., Disha Microfin, Ujjivan Financial Services, ESAF Microfinance and Investments, Equitas Holdings, Utkarsh Micro Finance, RGVN Micro Finance, Suryoday Micro Finance, Capital Local Area Bank and Janlakshmi Financial Services.

Payment Banks:

Payment bank is a type of niche non-full service bank, which can receive deposits and provide remittances but cannot lend money. The main target customers for them will be low-income households, small businesses and migrant laborers.

The minimum paid-up equity capital is 100 crores and leverage ratio more than 3 percent. Payment banks are expected to reach to consumers through mobile phones rather than traditional system of bank branches.

Payment banks will have to invest 75% of its demand deposits in Government securities (G-sec) and Treasury bills. A maximum of 25% demand deposits can be held as fixed deposits with other scheduled commercial banks.

What they can do and what they can't do?

- They can accept deposits upto Rs. 1 lakh and pay interest just like savings bank account.
- They can't offer loans to individuals and can't issue credit cards.
- They can issue debit cards usable at ATMs of all banks.
- They can transfer money and remittances through mobile phones.
- They can also provide forex cards to travellers.
- They can offer third party card acceptance mechanisms like 'Apple Pay'.
- It can also distribute financial products like mutual funds and insurance.

Small Finance Banks:

Small finance bank is a type of niche bank, which can provide banking services like accepting deposits and lending but mainly focusing on small businesses and industries.

How it will change current financial system:

The move of giving licenses to payment banks and small financial banks will be the major step towards pushing financial inclusion in the country. The main target for payment banks and small finance banks will be small businesses and low-income household by providing them financial services at low transaction cost. It is uneconomical for banks to open branches in every village, but with mobile phones which have wider penetration can provide low-cost platform for taking banking services to every citizen. It will include people who mainly transact in cash to take their first step into banking system and also accelerate India's journey as a cashless economy.

Cost of banking will come down due to competition from payment banks and small banks. Currently, private banks like ICICI, HDFC, Axis, etc. are making huge profits by collecting funds at lower costs from savings accounts & current accounts and lending it to small borrowers at higher rates. But payment banks and small finance banks get big chunk from this by providing higher interest rate on deposits and giving credit (small finance banks only) at lower rates. This will increase competition and lower-income group and small businesses will be benefitted the most. For customers, the real attraction will not be higher interest rates, but the convenience of carrying out banking transactions at fingertips.

Also, as payment banks will mainly have government as a borrower, there is very less chances of defaults. Government is also get benefitted as a borrower, as payment banks will expand access to cheap funds. As payment banks can only invest in short-term government bonds, government can borrow more at cheap rates.

We can also eliminate black money from large part of financial system by reducing cash transaction and encouraging people for use of e-money. This is achievable within 5-10 years with investment in financial literacy and educating rural citizens, especially women.

Payment bank will reduce dependency on cash and will increase m-commerce, as mobile wallets will be used as payment option. It will also transform our subsidy and social welfare schemes. With the troika of Aadhaar card, Jan Dhan Yojana and payment banks will enable government to provide direct subsidy.

Conclusion:

Inclusion of both payment banks and small finance bank will mark biggest revolution after the nationalization of banks in the Indian banking section. It will make banking more competitive and more inclusive for both borrowers and depositors thus making banking more affordable to the common man. The era of consumers has finally come.

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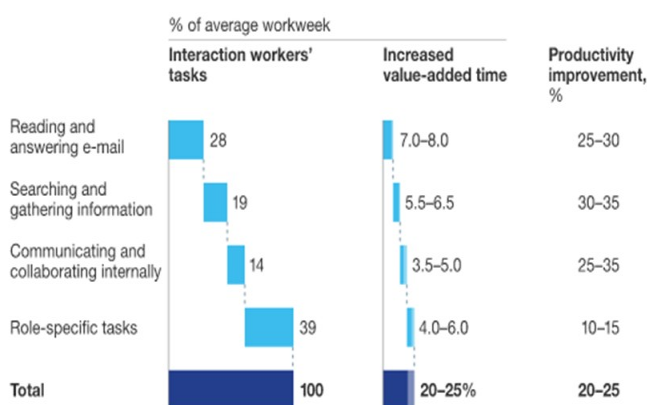
Will Digital Transformation Take the Role of HR?

By: Abhay Kumar Tiwari, MBA-RM (2014-16), XIMB, Bhubaneswar

Many HR professionals use social media to find qualified candidates who have a scrupulous professional integrity and many encourage their employees to expand their contacts via social networks, thus diminishing the myth that using the internet during working hours will affect their business – rather, online interactions will promote their business. Nowadays, it is important for companies to come up with new approaches and new thinking which will help them to increase their business dealings and increase their revenue. Another worthwhile aspect of social media is that companies can share their information with a wide audience, which has a long term benefit because these relationships will attract people to do business with them in the long run. This even applies to customer service. A July 2012 *McKinsey & Company* report notes that 72 percent of companies are using social technologies in some way but also indicates there is great opportunity to drive higher returns from social investments.

A lot of HR professionals see tremendous potential in social media tools for sharing real-time ideas and solutions with co-workers. Having perennial relationships with good quality people will result in stronger relationships, which will in turn position their business in a way where a large number of other parties will pay attention to their offerings. HR professionals use tools like Twitter Tab to keep up with the industry changes and news and also to collect information and articles for their job-related certifications. They also engage in blogging to inform people about the concepts, practices and methodologies of their business. The concept of “thinking out of the box” applies when it comes to HR and social media as they now realize the need for rewarding this kind of thinking.

IT Companies like TCS, IBM, etc. are trying to make a tool through which not only Facebook posts, LinkedIn profiles and Twitter feeds of candidates can be analyzed but also their activities on specialty sites related to their profession. By reviewing many posts of a candidate, an HR professional can easily come to know about the strengths and weaknesses of the candidate because they post everything without thinking about a specific job. A website and a phone-based application can be created to pull all the information related to the company’s recruiting efforts at one place which will be easy to access for all the concerned people. This mobile app will be used by employees to search and apply for jobs, receive job alerts, join a talent community, and get an insider’s view about what it’s like to work for an organisation.



Source: International Data Corporation (IDC); McKinsey Global Institute analysis

Image Source : International Data Corporation; McKinsey Global Institute Analysis

This recruitment approach is designing a different kind of world where job seekers are found and evaluated by their merits and contributions, rather than their skills to sell themselves in any interview. With the advent of social media, HR professionals are now reviewing the corporate values. The only thing that is for certain is that social media can dramatically castrate expectations. So it is beneficial for all industries and businesses or to anyone who have not yet embraced it to grow with these new technologies.

In many IT companies like IBM, all employees are bringing their own devices at work place under the BYOD (Bring Your Own Device) policy. There are many other organisations where employees are demanding to bring their own devices to the workplace and to use these mobile devices to communicate with their peers as well as managers and to interact with the HR department. They also want to view new job postings on their tablets, learn and collaborate with peers on these devices and provide feedback on any team member's performance with the click of a button. According to research by Logicalis, high-growth markets (including Brazil, Russia, India, UAE, and Malaysia) demonstrate a much higher propensity to use their own devices at work. Almost 75% of users in these countries did so, compared to 44% in the more mature or developed markets. Microsoft did a survey of 9,000 workers across 32 countries in which they found that 31 percent of the total number of employees surveyed would be willing to spend their own money on any new social tool which can make them more efficient at work.

Managing employees the old way involved:

- Financial incentives (carrot-and-stick)
- Siloed organizations
- Management hierarchies
- Annual or quarterly reviews
- Clock-in/clock-out (or an implied mandate that you should be at work during certain hours)

Contrast this with the crowd-, game-, and analytics- driven approaches companies can go forward with:

- Outcome-based performance measurement
- Continuous and real-time feedback
- Social collaboration
- Real-time coaching and mentoring
- Engagement using crowd mechanics
- Performance via multi-motivational game mechanics

Gamification is related with attributes like play, design, solving puzzles or competing and application of these things in real-world processes at the workplace e.g. health and wellness, new hire on-boarding and learning and development. Video game-players are popular for being singularly focused during any game. Therefore, companies like Cisco, Deloitte, Engine Yard, Google, Microsoft etc. have begun to focus on these innovative activities by using gamification. Now companies like Adways Inc., KFC, Greenpeace, Audi China, Gigadevice, Wonderman and many more are using Data Management Software like IBM Kenexa, PRO HR, BalancedComp etc. which are able to continuously collect information on employee performance to have an on-going performance review rather than only once in a year. In a research done by Deloitte, it was found that more than 60% of companies are now investing in Big Data and analytics tools to help make their HR departments more data-driven.

Many companies such as AT&T, AXA Equitable, Marsh and Jarden Consumer Solutions, etc. created the Social Learning Camp profiling companies, thereby re-imagining learning. They have realized that social learning is not new because from the very beginning, we have always learned a lot from one another in the workplace. Thus, bringing social media into HR practices is a step towards more successful processes, which will be beneficial for both recruiters and job seekers.

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Marketing backed by Cash-back

By: Gayatri Mutakekar, MMS (2015-17), WeSchool, Mumbai

When it comes to shopping, we Indians always want “a little Extra”. Gone are the days when I used to surf every nook and corner of the web for that precious discount coupon. That doesn’t mean I have foregone my greed to get more. The difference is, now I look for an icing on the cake, which is a Cash-back clubbed with discount.

Cash-back is nothing but a reward which is refunded in the mobile kitty of a customer, which he/she can use to buy other products or services.

Cash-backs vs. Discounts

The problem with discounts is that the buyers always go for higher discounts. In other words, there is no customer loyalty. On the other hand, cash-back is a win-win situation for both the businesses and the customers. From the customer’s point of view, cash-back makes shopping easy and rewarding. Because, when going for the next buy, there is no need for spending extra as the customer can use cash-back lying in his mobile wallet. What Cash-back offers to the business is, it spurs “Customer Retention” and stimulates the customer to transact more, ultimately generating more sales.

How does Paytm use Cash-back?

Paytm has played its cards well when it comes to Cash-back. A website which had started facilitating only mobile recharge has evolved into a genie. Today it has a Mobile Wallet and along with online shopping the website offers

several services such as utility bill payment and bus ticket booking. In addition many online platforms such as TinyOwl, BookMyShow and MakeMyTrip have partnered with Paytm Wallet for cash-back and payments. The partnership is not only limited online, Paytm has strategic alliance with Havmor Ice Cream and Britannia. Certain Havmor Ice Cream packs and Britannia Bourbon packs carry cash-back offers.

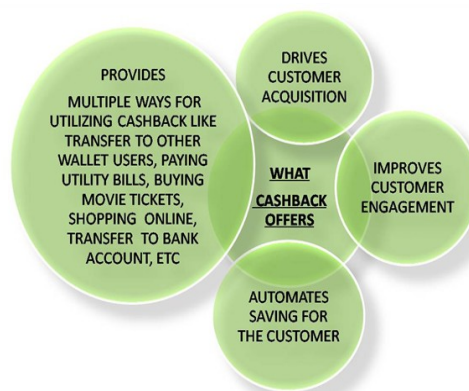


Image Source: Author

These avenues boost customer acquisition for Paytm as well as its partners. Once the customer has a cash-back in his wallet, he would either spend it on Paytm website, or on another website which has Paytm as a wallet partner. In most of the cases these transactions earn him more cash-back in Paytm wallet. This reinforces the consumption cycle. It becomes a “What goes around comes around” story!

Bundling the Cash-back offers

According to “2015 Cash-back Industry Report: A Global Industry Comes of Age”, globally the Cash-back industry is \$84 billion. The report also states that 71% of those who shop online want high cash-backs.

When it comes to cash-back, there are infinite possibilities of bundling the offers. Here are a few examples –

- **Crown it:** It is a recently launched app which offers Cash-back on bills generated on certain offline transactions. This cash-back can be used to buy coupons from likes of Myntra and Jabong or to pay for mobile bills/recharges.



Image Source : <http://blog.freeb.in/avail-cash-back-offer-with-crown-it-deal-on-freeb/>

- **Cashkaro:** It offers additional cash-back on online shopping. The cash-back earned can be transferred back to customer's bank account.
- **Ola – IOCL:** These companies have recently partnered where Ola offers cash-back to the drivers who fuel- up their vehicles at Indian Oil petrol pumps.

Indian cash-back industry has seen a significant growth and it received more than \$4 billion in VC investment. Keeping in mind the pluses, several mobile wallets, e-tailers and food aggregators like TinyOwl are joining the cash-back bandwagon. But cash-backs will reap results for those who bring innovative strategies and do not compromise on the quality of products or services they offer.

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- **Kotak Jifi:** It is a social banking account of Kotak Mahindra bank, which provides cash-back on transactions above Rs. 500 made using credit/debit cards. It has ties with Amazon, BookMyShow, Ferns n Petals etc for redemption of the cash-back.



Image Source : <http://www.nextbigwhat.com/kotak-social-banking-jifi-account-297/>

Internet Of Things (IOT)

By: Neha Agarwal, XIMB (2014-16), Bhubaneswar

Internet of things is the term which is being widely in use now a day. Unless someone living in forest, he probably noticed the Internet of Things (IoT) is hot. Everyone from chip makers to software companies to retailers are getting in on the act, all trying to figure out how to make use of this for their benefit. But what exactly is Internet of Things? We can say that “It is used to describe the millions of devices that are now connected together and to the internet but that do not require humans to tell them what data to share”. It make our lives much safer and easier. IoT is not just an extension of internet revolution comprises of smart machines communicating with other objects, machines, infrastructure and environment. It generate huge volumes of data, and these data are being processed into useful actions that can “command and control” things to but it is much more than that. It has the potential to transform the whole industries and even our life. The Internet of Things term is coined by Kevin Ashton executive director of the Auto-ID Center.

In 2003, there were approximately 6.3 billion people living on the planet and 500 million devices connected to the Internet. From this it can be concluded that there was less than one (0.08) device for every person. Based on Cisco IBSG’s definition, IoT didn’t yet exist in 2003 because the number of connected things was relatively small given that ubiquitous devices such as smart phones were just introduced.

Explosive growth of smart phones and tablet PCs brought the number of devices connected to the Internet to 12.5 billion in 2010, while the world’s human population increased to 6.8 billion, making the number of connected devices

per person more than 1 (1.84 to be exact) for the first time in history. Cisco IBSG predicts there will be 25 billion devices connected to the Internet by 2015 and 50 billion by 2020.

Every business and every industry will be disrupted over the next 30 years. According to Gartner, Inc. (a technology research and advisory corporation), there will be nearly 26 billion devices on the Internet of Things by 2020. ABI Research estimates that more than 30 billion devices will be wirelessly connected to the Internet of Things (Internet of Everything) by 2020.

IoT have the potential to change the lives of everyone from a small worker to a big businessman, from a child to old men. IoT can save the time and resources of humans to open up new opportunities for growth and expansion. If we look at the business aspect, it can track the whole process from managing inventory to fulfilling orders by locating everything. It will also lower costs in the manufacturing firm by reducing wastage, and the discarding nonperforming assets.

The Internet of Things can have a staggering impact on our daily lives. It can be an integral part of our live and even in areas like health, hospitality, electricity, food, retail, and management. It can even improve the infrastructure whose data can be used to analyse traffic pattern in the city and also help to adjust traffic light operation to minimize the traffic jams in the roads. It can also help to inform the insurance company about our driving speed, and can also report about our action to our spouse

immediately. It is also expected to benefit in the health sector and agriculture sector by giving doctors a complete details about the patients and farmers the information about weather and crop. The impact of IoT will not be limited to business and healthcare it can extend upon sports even. We can get detailed information about the empty car parking in the stadium and way to your seat. It will not only make our live easier by helping in our activity but also will help to adapt and anticipate what we need.

transportation. It will be the next evolution of the Internet. IoT has the potential to change the world which will be for better and How quickly we get there is up to us. But only the time will tell if the reality lives up to the expectations, but one thing we can say that the changes are already happening and affecting our life even.

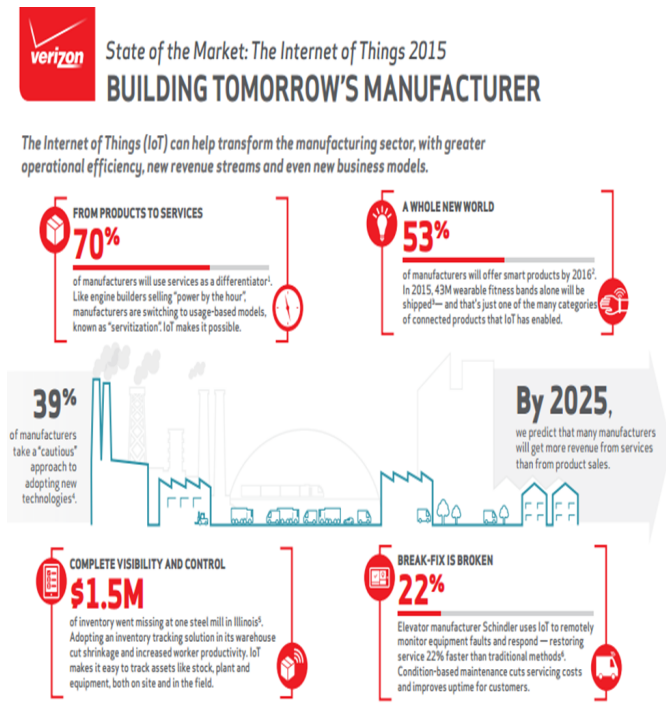


Image Source : Verizon enterprise

It can change the way we are living. A new world will be created with well equipped. In the next decade, it can be expected that Internet of Things will become integral part of our life but only concern is its security and privacy. But as every other thing can be modified and innovate I hope this concern will also be improved with the advent of time.

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The Internet of Things can bring change in quality life of individuals and productivity of enterprises'. It has the potential to extend and enhance the fundamental services in business, security, education, logistics, healthcare,

We invite articles for the October 2015 Issue of Samvad.

The Theme for the next month: October 2015 - “**Emerging Economies**”

The articles can be from Finance, Marketing, Human Resources, Operations or General Management domains.

Submission Guidelines:

- Word limit: 1000 words or a maximum of 4 pages with relevant images.
- Cover page should include your name, institute name, course details & contact no.
- The references for the images used in the article should be mentioned clearly and explicitly below the images.
- Send in your article in .doc or .docx format, Font size: 12, Font: Constantia, Line spacing: 1.05' to **samvad.we@gmail.com**. **Deadline for submission of articles : 29th October, 2015**
- Please name your file as: <YourName>_<title>_<section name e.g. Marketing/Finance>
- Subject line: <YourName>_<Course>_<Year>_<Institute Name>
- Ensure that there is no plagiarism and all references are clearly mentioned.
- Like our Fb pg: [Samvad.WeSchool.Student.Magazine](#).

Samvad Blog

As said by Ann Morough Lindburg, “Good communication is as stimulating as black coffee and just as hard to sleep after.” Samvad, which means 'to converse' in Hindi, is exactly the motive of our team Samvad. Our readers and writers are of utmost importance to us at Samvad. We don't like to interact with you only once when the issue is released. So, we thought, what next? Then came the idea of a blog - the ideal platform for meaningful discussion on a more regular basis. Hence, we present to you 'The Samvad Blog'. The Samvad Blog, as the name suggests is a blog dedicated to sharing of information, insights and opinions that allow exchange of some valuable ideas by stimulating your intellectual senses. It will include some interesting reads on management gurus, book reviews, and relevant articles among many other varieties of food for thought.

<http://samvadwe.blogspot.in/>

Don't forget to comment with your opinions. Always have a healthy debate we say! As progression lies not in agreement, but debate!



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