

Comparative study of Training Programs Conducted by Prime Stock Exchanges for Entrepreneurs

Rajni Kant Varma¹, Dr. Krishna Nath Pandey²

1. Research Scholar 2. Research Supervisor

Department Of Management, Sunrise University, Alwar (Raj.)

Introduction:

The securities market operations promote the economic growth of our country. More efficient is the securities market, the greater is the promotion effect on economic growth. The efficiency of market depends on the width and depth of the market and its perfectness. The present study could not cover all the aspects of stock- trading in BSE and NSE. Still, there are certain gray areas. Brokers take enormous risks while they execute their functions and activities. Risk appraisal and management is a significant and vital part of this branch of financial services sector. Hence a study on risk management of brokers could be of much help to the present as well as future generation of brokers. The strains and tension involved in stock-trading is enormous. There is scope for further studies in the line of stress management of stockbrokers.

It is clear those financial intermediaries as market participants have a crucial role to play in the efficient functioning of the stock market. Obviously, a thriving and vibrant trading system requires a well-developed financial structure with multiple intermediaries operating in markets with different risk profiles. Brokerage industry in the country has enormous scope for growth and achievement. But this can be possible only if elements like trust, guidance and regulation are incorporated in the stock market. There is also the need for reorientation and refocusing of activities of all members of the trading community. There are service quality gaps between the expectations and perceptions of the customers of stock trading firm which can be discuss with the help of different dimensions of service quality models like tangibility, reliability, responsiveness, assurance and empathy. There is a very less service quality gap regarding the tangibility factor because the customers' expectations are not much higher than the perceptions. Investor's preference and availability of instruments determines the growth of market. It is

therefore necessary to probe into the tastes and attitude of investors. The positive attitude of the investors and perception towards different investment avenues are to be analysed in detail before introducing any kind of reforms in the market.

Need of the study:

Brokerage firms are giving importance and significance to aspects such as training on skill sets that could prove to be beneficial in the long run. With the nature of markets and products becoming more complex, it becomes imperative for the broking firms to keep their staff continuously updated with latest development in practices and procedures. Moreover, it is mandated for certain types of dealers/brokers to seek specific certification and examinations that will make them eligible to carry business or trade. Greater emphasis on aspects such as research and analysis is giving scope for in-depth training and skills sets on topics such as trading programs, valuations, economic and financial forecasting and company research.

One of the complex issues that confront the broker is lack of sufficient training facilities. As in the case of other professions, the broking profession also requires essential training facilities. Though, the Bombay Stock Exchange, through its division, the 'BSE Training Institute' conducts training programmes and courses for brokers, investors, fund managers and other financial intermediaries, this is not sufficient.

In fact, 80% of the brokers state that training programmes are essential. About 20% of brokers are of the opinion that training programmes will not produce the desired result and hence they are not necessary. In response to the question whether there are sufficient training facilities, 80 per cent of the brokers replied that the facilities are inadequate.

Research Analysis:

For the current topic under discussion, a set of questions have to be framed and then the responses have to be studied with the help of various data analysis techniques. It is planned that the sample size will be 200 respondents in which 100 respondents will respond to questions related to trainings certifications and awareness programs by NSE and 100 respondents will respond to that of BSE. It is planned that overall 10% of respondents shall be from industry.

As the objective of research is very specific and target population seems to be more or less homogeneous the sample size is kept limited to 200.

So far the data indicates the clear trends, complicated tests and process will be avoided to keep

the research simple and self-explanatory so that upcoming researchers and students shall understand and make use of the current research conveniently.

QUESTIONNAIRE

Are you aware about NSE’s /BSE’s Training, Certification and Awareness Programs?

1. Yes 2. No

You belong to which category?

1. Student 2. Job aspirant 3. Employed 4. Self - employed.

Table No. 1

Sr. Num	Questions	1	2	3	4	5
1	How do you rate NSE’s / BSE’s Training, Certification and Awareness Programs with reference to Content Quality ?					
2	How do you rate NSE’s / BSE’s Training, Certification and Awareness Programs with reference to Choices Available ?					
3	How do you rate NSE’s / BSE’s Training, Certification and Awareness Programs with reference to Fees ?					
4	How do you rate NSE’s / BSE’s Training, Certification and Awareness Programs with reference to Employability ?					
5	How do you rate NSE’s / BSE’s Training, Certification and					

	Awareness Programs with reference to faculty?					
6	How do you rate NSE's / BSE's Training, Certification and Awareness Programs with reference to Popularity?					
7	How do you rate NSE's / BSE's Training, Certification and Awareness Programs with reference to Overall Satisfaction?					

Name (optional) - _____ City - _____

Summary of Responses of 100 Respondents each related to NSE & BSE on 5 points scale

Table No. 2

Variables	NSE (Average on 5 Point Scale)	BSE (Average on 5 Point Scale)
Content Quality	3.52	3.35
Choices Availability	3.90	2.74
Fees	2.81	4.14
Employability	3.82	3.27
Faculty	2.90	3.98
Popularity	3.86	2.97
Overall Satisfaction	3.99	3.03

During the analysis, significant difference is found in each 7 variables, which helped to conclude as follows:

- Content Quality Rated High in NSE Data
- Choices Rated High NSE Data
- Fees Rated high in BSE Data

- Employability Rated High in NSE Data
- Faculty Rated High in BSE Data
- Popularity Rated High IN NSE Data
- Overall Satisfaction Rated High in NSE Data

From the above analysis it is clearly concluded that the NSE training has an advantage over the BSE training in the following areas:

1. Content Quality (mean = 3.52 > 3.35)
2. Choices Available (mean = 3.90 > 2.74)
3. Employability (mean = 3.82 > 3.27)
4. Popularity(mean = 3.86 > 2.97)
5. Overall Satisfaction (mean = 3.99 > 3.03)

BSE training proves better in the following areas:

1. Fees (mean = 4.14 > 2.81)
2. Faculty (mean = 3.98 > 2.90)

Conclusion:

To conclude, no research work is perfect and complete by itself. But every research contributes to the horizon of human knowledge. It shows light to further research in behavior finance. The present study is a humble attempt to probe in to the investors' attitude towards equity, which is a part of behavioural finance.

It can be stated that capital market facilitates mobilization of savings of individuals and pools them into reservoir of capital which can be used for the economic development of the country if proper measures were taken to satisfy investor's preferences.

SEBI should tie up with credible professional bodies and institutions and to give awareness, education and best practices intervention to the individual investors giving advice on publicly accessible media. SEBI should formulate a monitoring mechanism for early detection of fraudulent practices in the share market.

It is desirable to implement an effective corporate governance mechanism to deter the stock market scams. A surveillance mechanism of regulators can be made effective and transparent if it

is properly supported by a statute pertaining to corporate governance. In order to address the complexities existing in the present capital market it is desirable to modify the existing guidelines and inducting new provisions in the laws related to governance of corporate and protection of investors.

Securities and Exchange Board of India (SEBI) should raise the educational eligibility criteria of the stock brokers. SEBI should take the regulatory measures after consulting with stock brokers to implement them with easiness and without side effects.

▶ As the brokers play a role of intermediation in the capital market, government should come forward with measures to provide, needed relief in the form of grants or aids to help them to improve their business.

▶ Government should take initiative to establish training centres in the area of stock trading service to give a professional outlook.

▶ Investors' confidence building campaign must be strengthened. More brokers' terminals should be made available in rural areas.

▶ Encourage people to make primary market investment in the initial stage.

▶ Conduct open seminars in association with local brokers to popularize stock market investment.

References:

- *Blattman, C., & Ralston, L. (2015). Generating employment in poor and fragile states: Evidence from labor market and entrepreneurship programs. Available at SSRN 2622220.*
- *Garavan, T. N., & Barra, O. (1994). Entrepreneurship Education and Training Programmes:: A Review and Evaluation–Part 1. Journal of European industrial training, 18(8), 3-12.*
- www.nseindia.com
- www.bseindia.com
- www.nism.ac.in
- www.sebi.gov.in
- www.moneycontrol.com
- Corporate Governance: An Emerging Scenario
- NSE Fact book
- Indian Securities Market, A Review (ISMR)
- NSE Newsletter