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**Editorial**

**Status of Prisoners of War in the Contemporary World**

**Sudarshana Jha \***

**ABSTRACT**

The Third Geneva Convention is a global treaty that ensures humane treatment for prisoners of war (POWs) in contemporary conflicts. POWs are entitled to freedom of movement, protection from public curiosity, and protection from violence or intimidation. In non-international armed conflicts, captured insurgents are not considered POWs. However, their condition is equally deplorable. In 2018, Yemeni parties and the Arab Coalition Representative signed an agreement to exchange all prisoners, detainees, missing persons, arbitrarily detained, and those under house arrest. The Convention mandates equal treatment for all prisoners, including women. On the ground, the condition of the POWs is horrific, especially for the females who are subjected to sexual assault apart from undergoing other challenges for survival. This article provides a critique of the status of prisoners of war vis-à-vis the provisions of the Third Geneva Convention. A debate on the condition of POWs becomes even more imperative due to emerging scenarios attributed to armed conflicts in various parts of the world today.

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**KEYWORDS:** Third Geneva Convention, Prisoners of War, Female Prisoners, Non-armed Conflicts, Armed Conflict

## **INTRODUCTION**

The world is not a stranger to conflicts, its surface marred by scars of servitude of numerous men and women who have served the leaders of nations, empires and even ideologies. These violent conflicts, which lead the nations to victory, are carried on the backs of soldiers who participate in these wars. It is thus only fitting that these soldiers, if fallen into enemy hands, must be spared the wrath they might harbor against the nation or ideology they represent. An armed conflict cannot be imagined without detainees. Many types of detainees are protected by international humanitarian law, including those incarcerated as prisoners of war in foreign armed conflicts. When an adversary takes someone prisoner, there is an increased risk of abuse or harm to their health; in these circumstances, adherence to the Third Geneva Convention's regulations is essential. These regulations are in place for practical reasons, such as preventing enemy combatants from escaping, keeping order and security in a camp, and keeping them off the battlefield, in addition to moral and humanitarian imperatives and legal duties resulting from treaty ratification. In addition, the Convention mandates that parties to an armed conflict maintain the health of their prisoners<sup>1</sup>.

Therefore, the duty to treat prisoners of war humanely, respecting their person and honour, lies at the heart of all 143 articles that comprise the Third Geneva Convention. Many of the Convention's articles expand on what this fundamental duty means<sup>2</sup>. They cover every facet of a prisoner's life, from the moment of their initial arrest until their ultimate release, and they expressly forbid the use of coercion or torture of any kind during their incarceration. The Convention compels parties to the conflict to consider each prisoner's unique circumstances, including their gender, age, health, and any disabilities they may have, and it protects all prisoners of war without difference<sup>3</sup>.

**LEGAL FRAMEWORKS AND INTERNATIONAL CONVENTIONS GOVERNING THE TREATMENT OF PRISONERS OF WAR IN CONTEMPORARY CONFLICTS**

A thorough standard of care for prisoners of war is established under the Third Geneva Convention. POWs may be held in internment for the length of hostilities. However, this does not constitute punishment for their confinement (GC III, art. 21). Instead, detention is only permitted to keep prisoners from aiding and abetting the military campaign of the group they fought for. Comprehensive guidelines are provided for mandatory minimum conditions of imprisonment (e.g., GC III, articles. 21-28). After the war, POWs are entitled to release and repatriation (GC III, art. 118).<sup>4</sup> Under no circumstances will POWs be subjected to cruel, inhumane, or humiliating treatment; see, for example, GC III articles. 13–33. According to GC III, art. 14, prisoners of war are entitled to respect for their person and honor in all circumstances. They need to be shielded from "public curiosity and insults." POWs may not be the target of acts of violence or intimidation (GC III, art. 13). The Third Geneva Convention also forbids abuses during interrogations (GC III, art. 17). A thorough list of fair trial rights is contained in the Third Geneva Convention, which stipulates, by default, that prisoners of war must be tried using the same process as the state's armed forces (e.g., GC III, arts. 99-108)<sup>5</sup>.

POWs can communicate with protective services (GC III, articles. 8–11, for example). They also enjoy "combatant immunity," which protects them from prosecution for mere involvement in hostilities (e.g., GC III, articles. 82, 85, 87-88). Furthermore, POW rights are unalienable and non-derogable, as stated in the Third Geneva Convention (GC III, art. 7)<sup>6</sup>. A thorough standard of care for prisoners of war is established under the Third Geneva Convention. POWs may be held in internment for the length of hostilities. However, this does not constitute punishment for their confinement (GC III, art. 21). Instead, detention is only permitted to keep prisoners from aiding and abetting the military campaign of the group they fought for. Comprehensive guidelines are provided for mandatory minimum conditions of imprisonment (e.g., GC III, articles. 21-28). After the war, POWs are entitled to release and repatriation (GC III, art. 118). Under no circumstances will POWs be subjected to cruel, inhumane, or humiliating treatment; see, for example, GC III articles. 13–33. POWs are entitled to respect for their person and

honor in all situations (GC III, art. 14)<sup>7</sup>.

The Third Geneva Convention also forbids abuses during interrogations (GC III, art. 17). A thorough list of fair trial rights is contained in the Third Geneva Convention, which stipulates, default, that prisoners of war must be tried using the same process as the state's armed forces (e.g., GC III, arts. 99-108). POWs can communicate with protective services (GC III, articles. 8–11, for example). They also enjoy "combatant immunity," which protects them from prosecution for mere involvement in hostilities (e.g., GC III, articles. 82, 85, 87-88). Furthermore, POW rights are unalienable and non-derogable, as stated in the Third Geneva Convention (GC III, art. 7)<sup>8</sup>.

The core principles of fair and humane treatment extend to prisoners of war (POWs) not only because they meet specific criteria for POW status but also because they are captured in armed conflicts by enemy forces<sup>9</sup>. Despite variations in circumstances, such as whether the detainee is a member of the opposing armed forces, a civilian combatant, or part of a partisan group, certain fundamental guarantees apply broadly, including Common Article 3, the Fourth Geneva Convention, and provisions regarding fair trial rights. Over time, these protections have expanded, often exceeding those granted explicitly to POWs. While many protections are rooted in humanitarian concerns, some reflect a unique respect for POWs as sanctioned fighters for a sovereign state<sup>10</sup>. These protections encompass various aspects, from saluting protocols and rights to wear badges of rank to prohibitions on humiliating labour assignments. Additionally, POWs are assimilated into the legal framework of the detaining state's armed forces, though this may not always ensure their rights are fully upheld. Other protections aim to prevent mistreatment based on loyalty to their state, including the right to refuse parole agreements contrary to their laws and regulations, immunity from punishment for escape attempts, and restrictions on forced participation in actions against their own state<sup>11</sup>.

In general, prisoners of war are not allowed to be forced to actively participate in military operations against the country of their nationality (e.g., Hague Regulations, art. 23(h)). When

imposing judicial punishment on prisoners of war who have been found guilty of a crime, the sentencing authority must consider that the prisoners are under the authority of another sovereign and that their situation is the result of events beyond their control (GC III, art. 87)<sup>12</sup>.

### **ANALYSIS OF THE TREATMENT OF PRISONERS OF WAR IN SPECIFIC CONTEMPORARY CONFLICTS**

All armed conflicts are divided into two categories under modern international humanitarian law: international and non-international. It is evident in international armed conflict how to distinguish between combatants and civilians. Unless they enlist in the military, in which case they forfeit their civilian rights and acquire combatant rights, the civilian is entitled to immunity from assault. It is the combatant's right to engage in hostilities without facing criminal consequences. An international armed conflict participant who is captured becomes a prisoner of war. In non-international armed conflicts, there is no such thing as a combatant, and captured insurgents have no rights and are not treated as prisoners of war, in contrast to the acknowledged status of prisoners of war in international armed conflicts<sup>13</sup>.

The term 'illegal combatant' was first introduced in 1942 by the United States Supreme Court judgment in the case *ex parte Quirin*.: In this particular case, the US Supreme Court upheld the judgement of a United States military tribunal regarding several German saboteurs in the United States. This decision states:

*"The law of war draws a distinction between the armed forces and the peaceful populations of belligerent nations and between those who are lawful and unlawful combatants. Lawful combatants are subject to capture and detention as prisoners of war by opposing military forces. Unlawful combatants are likewise subject to capture and detention, but they are also subject to trial and punishment by military tribunals for acts which render their belligerency unlawful. The spy who secretly and without uniform passes the military lines of a belligerent in time of war, seeking to gather military information and communicate it to the enemy, or an enemy combatant who without uniform comes secretly through the lines to wage war by destruction of life or property, are familiar examples of belligerents who are generally deemed*



*not to be entitled to the status of prisoners of war, but to be offenders against the law of war subject to trial and punishment by military tribunals”<sup>14</sup>.*

The United States Supreme Court noted in *Hamdi et al. v. Rumsfeld et al.* (2004) that although Congress had authorized the detention of combatants under the specific circumstances claimed in this case, due process required that those detained in the United States as enemy combatants be afforded a meaningful opportunity to challenge the legality of their detention before an impartial judge. On the same day, the Court also decided that inmates having this status could contest their detention<sup>15</sup>. The petitioners, who are twelve Kuwaitis and two Australians, were apprehended overseas during hostilities and have been detained since early 2002 at the Guantanamo Bay Naval Base in Cuba, which the United States occupies by lease and treaty, along with an estimated 640 other non-Americans in military custody. The Supreme Court ruled that foreign nationals who have been seized abroad during conflicts and who are being imprisoned at the Guantanamo Bay Naval Base may file legal challenges against their imprisonment in US courts<sup>16</sup>.

This was efficiently contradicted in the Supreme Court case of *Boumediene et al. v. Bush* (2008), where it was reaffirmed that the US court system has jurisdiction to consider challenges to the incarceration of enemy combatants detained in Guantanamo Bay. The decision further established that the US laws and Constitution are inherently ‘designed to survive and remain in force in extraordinary times’<sup>17</sup>.

#### **EXCHANGE AGREEMENT AND RELEASE OF DETAINEES IN YEMEN: 2018–2019**

Since 2014, Yemen has been devastated by armed conflict. In support of the Yemeni government, a military coalition headed by Saudi Arabia has been conducting attacks against the Houthis, a non-state armed group, since 2015. There has been ongoing fighting throughout the nation between armed groups and government forces as well as between armed groups themselves. The United Nations (UN) is still working to mediate a settlement between the parties. People are still being held or interned in connection with the fighting in

the meantime. Both sides have freed hundreds of captives in compliance with IHL, as per a UN-brokered agreement that was struck in 2018 to foster confidence between the Yemeni parties and the representative of the Arab Coalition. The need to show credibility and enhance their public image, as well as diplomatic efforts and external pressure, could have had an impact on the participants to the agreement<sup>18</sup>.

1. In December 2018, the Yemeni parties and the Arab Coalition Representative signed an agreement to carry out a “comprehensive and complete exchange of all prisoners, detainees, missing persons, arbitrarily detained and forcibly disappeared persons, and those under house arrest” through an exchange process facilitated by the UN and the ICRC.
2. In 2019, the parties to the agreement began to honour their commitment: the Houthi National Committee for Prisoners’ Affairs released 290 detainees, while the Saudi-led coalition released 128 detainees.

#### **Exchanging prisoners of war and other detainees between Georgia and Russia: 2008–2009**

Armed conflict between Georgia and the Russian Federation over South Ossetia and Abkhazia began in August 2008. Prisoners of war were taken by both sides (PoWs). The ICRC was allowed access to Russian detainees in Georgian custody related to the war by the Georgian government. Both sides agreed to support humanitarian relief efforts and halt hostilities as part of a deal mediated by the European Union. All those imprisoned in relation to the conflict were later released and turned over to each other by the parties. Georgia’s detaining authorities provided the ICRC with unimpeded access to facilities under their control. They enabled them to visit Russian PoWs and other people held in connection with the conflict to check on their treatment and living conditions. Detainees had the opportunity to communicate with their families by Red Cross Message.

1. With European Union mediation, Georgia and Russia agreed to a six-point agreement aimed at ending active hostilities and preparing the parties to work towards a sustainable political settlement. This included a deal to facilitate humanitarian relief operations.

2. Within days of the agreement, the parties exchanged prisoners: Georgia handed over five Russian soldiers to Russian officials, while Russia handed over 15 Georgians, including two civilians, to Georgian officials. The parties agreed to further such exchanges in principle.
3. In 2009, an independent international fact-finding mission on the 2008 conflict reported that the parties had duly exchanged all people detained in connection with the conflict<sup>19</sup>.

#### **RELEASING PRISONERS OF WAR IN THE DEMOCRATIC REPUBLIC OF CONGO: 1999–2000**

In 1998, the Democratic Republic of the Congo (DRC) saw the emergence of a complicated military conflict. The conflict involved Congolese non-state armed groups backed by Burundi, Rwanda, and Uganda and armed forces loyal to the government of the DRC, with help from Angola, Namibia, and Zimbabwe. Every party accepted POWs or prisoners of war.

The sides agreed to free POWs when they signed the Lusaka peace accord in 1999. In 2000, the DRC freed hundreds of prisoners with backing from the UN Security Council, among other bodies.

1. In 1999, representatives of Angola, the DRC, Namibia, Rwanda, Uganda and Zimbabwe signed the Lusaka Ceasefire Agreement, committing to ending hostilities among all their forces in the DRC. Under the agreement, the parties undertook to exchange PoWs and release any other people detained in connection with the conflict.
2. The parties granted the ICRC regular access to PoWs to monitor their conditions during captivity.
3. In 2000, the DRC government announced an amnesty, releasing over 100 political detainees. Upon the subsequent release of 177 Namibian, Rwandan and Zimbabwean PoWs, the ICRC repatriated them to their respective countries at the request of the relevant authorities.

#### **PSYCHOLOGICAL EFFECTS OF CAPTIVITY ON PRISONERS OF WAR IN MODERN CONFLICTS.**

1. **Post-Traumatic Stress Disorders: The Disorder of Post-Traumatic Stress** When it comes to the psychological effects of trauma, particularly those arising from being captured during a

battle, post-traumatic stress disorder (PTSD) is the disorder that is studied the most. Many studies have compared veterans who were camp prisoners with a similar group of veterans who did not have that experience or with members of the general public to identify factors that contributed to its development and persistence over years, if not decades, after release from captivity<sup>20</sup>. But research also looks at other psychological problems and what factors lead to them occurring in addition to PTSD<sup>21</sup>. Because every captivity has unique characteristics that vary depending on the circumstances and severity of traumatic stressors, the methods of torture and exhaustion used, and the length of the captivity, research findings show variations in the prevalence of PTSD and other mental disorders among the groups under investigation. According to specific research, the length of time spent in captivity is related to the prevalence of PTSD decades after the incident. Thus, it varies from 5% to 15% (American veterans of World War II) and up to 80% (Korean War) based on the studied veteran population of former prisoners of war. Some research has not demonstrated that the time spent in captivity is relevant<sup>22</sup>. Numerous studies have shown that the most important predictor of the onset and maintenance of PTSD is how inmates are treated. Some studies show that exposure to extreme conditions and cruel treatment causes significant weight loss, indicating a substantial vulnerability to traumatisation. These conditions also have psychological effects, with a high prevalence of post-traumatic stress disorder (PTSD) in these groups of prisoners of war. Individual symptoms and clusters of PTSD symptoms, the correlation between specific clusters or symptoms and specific types of traumatic events that cause PTSD, as well as the intensity of PTSD about the dominance of particular symptoms, are all analysed based on the occurrence analysis of PTSD, whether it is of a lifetime or current nature, at the time of the research. By doing this, it is made clear that the symptoms of PTSD vary throughout its chronic course, with avoidance behaviour symptoms.

Some research indicates a strong association between symptoms of reliving trauma and imprisonment, while traumatisation during captivity is also linked to prominent symptoms of emotional numbness. Research indicates that erasing memories of traumatic events—particularly those that were exceedingly challenging or entailed severe humiliation and

torture—is one of the most prevalent symptoms among severely traumatised veterans, impeding their ability to heal. Research indicates that a deep sense of shame over the traumas and humiliation suffered is the leading cause of these avoidance symptoms. Conversely, depressive symptoms, thoughts of suicide, and psychotic symptoms have been linked to intense shame<sup>23</sup>. Studies have also examined the sense of alienation and isolation that war veterans feel, which is particularly acute for those who have been in captivity as opposed to those who have fought in combat but were not held captive. This can be explained by the unique circumstances of the trauma of captivity, in which prisoners are not only frequently kept in solitary confinement but also witness a particular, egoless, and apathetic relationship with their captors. This relationship will later cause them to feel insecure and distrustful of other people, ultimately leading to loneliness. Specific research works address the relationship between veteran loneliness and suicidal thoughts and attempts<sup>24</sup>. A long-term prospective study compared veterans who were not housed in a war camp to those who had experienced suicidal thoughts at three different intervals (18, 30, and 35 years after the war). Over time, there was a noticeable rise in suicidal thoughts among former camp inmates, which was more prevalent and partly caused by PTSD<sup>25</sup>.

2. Other Psychological Disorders- Research examines the presence of various mental diseases in addition to the prevalence of PTSD in ex-offenders, typically by contrasting PTSD subjects with non-PTSD participants. While some research<sup>26</sup> found no difference in the prevalence of other mental diseases between the PTSD-positive and PTSD-negative groups, other studies have demonstrated that veterans with PTSD are more likely to experience other mental problems<sup>27</sup>. Depression is one of the most prevalent comorbid psychiatric diseases; research highlights the significance of diagnosing depression as well as the worse prognosis and more complex clinical picture when PTSD and depression co-occur. Numerous studies have established that seriously traumatised camp captives frequently acquire depression. This phenomenon is explained, among other things, by the loss these soldiers experience<sup>28</sup>. According to studies, veterans who have gone through such traumatic experiences may lose their sense of self-worth, faith in other people, and

faith in the world as a result of the cruel treatment they received from their captors and the unfavourable conditions they were kept in<sup>29</sup>. The most prevalent comorbid mental illnesses, outside depression, were phobic disorders, alcoholism, and panic disorder<sup>30</sup>. Several research have demonstrated a substantial correlation between the development of specific disorders and the experience of captivity or the severity of trauma, in addition to the fact that the results of these studies also relate the presence of other mental disorders with PTSD. However, there was no discernible association with the emergence of other illnesses. For instance, the lifetime frequency of drunkenness in the jail population did not differ significantly from that of the general community. At the same time, the prevalence of schizophrenia and depressive disorders was higher among prisoners of war<sup>31</sup>. Research validates the susceptibility of ex-prisoners to war, even after five decades of detention. An investigation into the mental health of ex-offenders during the COVID-19 pandemic revealed that these individuals smoked more, drank more alcohol, and used marijuana to help with their symptoms. The profound psychological alterations brought on by extreme traumatising as a component of the interpersonal trauma typical of incarceration account for this notable susceptibility. Apart from the elevated occurrence of dissociative disorders in the initial years following incarceration, research has also revealed a greater incidence of chronic persistent dissociative disorders among ex-offenders in contrast to a control group comprising veterans who were not POWs. Dissociative states are interpreted as a means of escaping memories and ideas of a near-death experience that inmates experienced as a result of a variety of terrible events that occurred during their incarceration<sup>32</sup>. Comparing soldiers who were not prisoners to those who were, several studies do not reveal a higher prevalence of mental problems in camp inmates. For instance, the intensity of trauma was not a significant predictor of most mental disorders. Still, it was an important predictor of the development and persistence of post-traumatic stress disorder (PTSD), according to a study that included three groups of camp prisoners and looked at the prevalence of mental disorders four or five decades after World War II and the Korean War<sup>33</sup>.

### **GENDER-SPECIFIC EXPERIENCES OF PRISONERS OF WAR IN CONTEMPORARY CONFLICTS**

Article 16 of the convention, which establishes the general standard of equal treatment, mandates that all prisoners of war "be treated alike." This does not imply that all prisoners must be treated equally; instead, non-adverse distinctions—that is, distinctions supported by the materially different circumstances and needs of protected individuals—are permitted and occasionally even necessary to achieve equal treatment (paras 1742–1743). To guarantee that men and women prisoners of war are equally protected, women prisoners of war must receive different treatment to the extent that their circumstances and needs differ from those of men. Thus, Article 16 of GCI provides essential protection, especially as it forbids discrimination based on factors like race and religion.

Article 26 mandates that the Detaining Power feeds the POWs in a way that will maintain their health. To accomplish this, food rations for specific prisoners of war could need to be modified to account for their unique situation, such as maintaining the health of pregnant or nursing mothers (para. 2113). Similarly, the commentary on Article 27, which deals with attire, stipulates that apparel for Prisoners must be gender-appropriate (para. 2151). In these cases, equal treatment under Article 16 (paragraph 1748) and due regard for women under Article 14(2) require the non-adverse distinction—that is, the provision of different food or clothing—in the application of a seemingly general provision (para. 1687).

Regarding sexual assault in detention facilities (and its global upsurge linked to pandemic lockdowns), GCIII safeguards all prisoners from sexual assault, especially female prisoners who might be more vulnerable than male prisoners. Article 14(1) of GCIII prohibits sexual violence. This article states that prisoners of war have the right to "respect for their persons and their honor" under all circumstances. Paragraph 1664 of the Commentary, which upholds the ban on sexual violence, places the violation of this prohibition as one of "respect for persons" rather than "honour," acknowledging the harm caused by gendered concepts of the latter. The need to provide humane treatment and the prohibition of violent acts found in Article 13(1)

(2) (paragraph 1578) forbid sexual violence against any Prisoner.

## CONCLUSION

The treatment of prisoners of war (POWs) in the contemporary world is governed by international humanitarian law, primarily the Third Geneva Convention. This convention outlines the rights and protections afforded to POWs, including humane treatment, fair trial rights, access to communication with protective services, and immunity from prosecution for lawful combatants. Various contemporary conflicts, such as those in Yemen, Georgia and Russia, and the Democratic Republic of Congo, have seen efforts to adhere to these conventions through exchange agreements and releases of detainees.

However, the psychological effects of captivity on POWs are profound and enduring, often leading to post-traumatic stress disorder (PTSD) and other mental health issues. Studies show that the way prisoners are treated during captivity significantly impacts the development and persistence of PTSD. Additionally, gender-specific experiences of POWs require tailored treatment and considerations under international law.

Humanitarian organizations play a crucial role in advocating for the rights and welfare of POWs, particularly in addressing issues such as sexual assault in detention facilities. Overall, while international conventions provide a framework for the humane treatment of POWs, the psychological toll of captivity underscores the importance of ongoing support and advocacy efforts for their well-being.

## ENDNOTES

<sup>1</sup> <https://blogs.icrc.org/law-and-policy/2020/06/18/gciii-commentary-update/>

<sup>2</sup> <https://ihl-databases.icrc.org/en/ihl-treaties/gciii-1949/article-14/commentary/2020>

<sup>3</sup> <https://blogs.icrc.org/law-and-policy/2020/06/18/gciii-commentary-update/>

<sup>4</sup> <https://lieber.westpoint.edu/protecting-pows-in-contemporary-conflicts/>

<sup>5</sup> Ibid



<sup>6</sup> Ibid

<sup>7</sup> Ibid

<sup>8</sup> Ibid

<sup>9</sup> GC III, arts. 13-33, GC III, art. 13, GC III, arts. 99-108

<sup>10</sup> POWs have a right to release and repatriation at the end of the conflict (GC III, art. 118)

<sup>11</sup> GC III, art. 21

<sup>12</sup> <https://casebook.icrc.org/a-to-z/glossary/prisoners-war>

<sup>13</sup> Fabijanić Gagro, S. (2014). Defining and recognizing prisoners of war in contemporary armed conflicts. *International Journal of Social Sciences (special issue-Law)*, 3(5), 60-78.

<sup>14</sup> <http://www.humanrights.is/en/human-rights-education-project/human-rights-concepts-ideas-and-fora/human-rights-in-relation-to-other-topics/human-rights-and-armed-conflict>

<sup>15</sup> 542 U.S. 504 (2004)

<sup>16</sup> <http://www.humanrights.is/en/human-rights-education-project/human-rights-concepts-ideas-and-fora/human-rights-in-relation-to-other-topics/human-rights-and-armed-conflict>

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## **Entrepreneurial Orientation and Sustainable Business Performance: Connecting the Dots using Smart PLS-SEM**

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### **ABSTRACT**

This paper focuses on understanding the interplay between the Entrepreneurial Orientation (EO) and Sustainable Business Performance (SBP). The main goal is to create a theoretical model to examine this connection. We gathered data from employees working in the corporate sector using a structured questionnaire. This study examines current literature on sustainable business models and Entrepreneurial Orientation to analyze and identify the key contributions to the progress of research in this topic. Our hypothetical model explores how Innovativeness, Risk taking and Proactiveness of the organization influences SBP. Our findings aim to contribute to the understanding of how an organization is seen as an entrepreneur and its traits impact the overall sustainability performance of businesses. This research emphasizes the importance of considering factors like risk, innovation, and proactiveness within the context of Sustainable Business Performance. The data can be analyzed, using PLS-SEM version 4.0, a statistical method

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suitable for complex models. By underscoring the importance of factors like risk, innovation, and proactiveness, the study offers valuable insights that have implications for both academic investigation as well as pragmatic leverage in the realm of entrepreneurial practices across the globe.

**KEYWORDS:** Entrepreneurial Orientation, Sustainable Business Performance, Triple Bottom Line, Innovation, Risk Taking

## **INTRODUCTION**

The environment faces substantial challenges from human activities such as population growth, heightened consumption, and climate change, as reported by the International Union for the Conservation of Nature and United Nations Environment Program (UNEP) (Kopnina & Blewitt, 2014). Sustainability, now synonymous with environmental protection, has spurred corporate pressures to adopt sustainable practices due to heightened awareness among consumers, investors, and regulators. This shift has presented businesses with significant operational obstacles, compelling them to reassess strategies and prioritize incremental responsibility and sustainability (Kolk, 2016). To gain a competitive advantage, organizations can shift from routine commercial frameworks to incorporate sustainability into overall business strategies. A sustainable business model, as defined by Bocken (2014), entails providing a competitive edge through superior customer value while contributing to both company and societal sustainable development. Normann and Ramirez (1993) and Hörisch et al. (2014), a sustainable business should give the organization a focus on creating value for all stakeholders, including consumers, shareholders, suppliers, and environmental components, among other groups.

On the other hand, Entrepreneurship can be defined as the process of creating value by assembling a unique set of resources to capitalize on an opportunity (Stevenson, Roberts, and Grousbeck, 1989). Initially, the focus was on profit generation through this process. However, in the post-1990 era, there has been a consensus shift towards viewing entrepreneurship as a behavioral phenomenon driven by opportunities. Scholars like Covin and Slevin (1991), Gartner

(1990), Moore (1986), and Stevenson and Jarillo (1990) emphasize aspects such as new venture creation, product and service development, risk-taking, ownership, and a growth-oriented mindset. Numerous research scholars in entrepreneurship have explored the Entrepreneurial Orientation (EO) concept, studying it as a strategic development crucial to improve firm performance (Zighan, 2021). Anderson, Covin, and Slevin (2009), drawing on a comprehensive thirty-year investigation influenced by Miller's (1983) framework, assert a significant link between EO and conservative firms. Covin and Wales (2012) note that the literature on EO has become fragmented due to the emergence of various conceptualizations. The conceptual distinctions between Miller (1983), Covin and Slevin (1989) central focus revolve around how individual author defines organizational entrepreneurship based on the variables like innovation, proactiveness, and risk-taking. In contrast, to Lumpkin and Dess (1996) he introduced two more attributes to have a broader dimension in EO. He added competitive aggressiveness and autonomy variable as determinants of EO.

The importance of Entrepreneurial Orientation involves quick decision-making skills, managerial ideologies, and strategic behaviors marked by innovation, proactiveness, risk-taking, autonomy and competitive aggressiveness. Eckhardt and Shane (2003) further define entrepreneurship as the systematic identification, evaluation, and capitalization of potential future commodities and services. EO is a well-established and extensively utilized concept within the realm of strategic entrepreneurship literature. Defined by the proclivity of key stakeholders to adopt proactive behaviors, foster innovation, and engage in calculated risks, EO has garnered widespread acceptance (Anderson et al., 2015; Runyan et al., 2012). Morris et al. (1996) succinctly characterize entrepreneurial orientation as the organizational inclination to actively pursue and seize new opportunities, demonstrating a readiness to take on the responsibility of initiating transformative change within the corporate context. Rauch and Frese (2009) say as the strategic processes implemented at the company level by businesses to achieve a competitive advantage. This perspective emphasizes that the entrepreneurial mindset is tied to organizational procedures, rather than individual elements.

EO is a multi-level aspect of organizations, emphasizing the influential role of senior managers in shaping the organization's entrepreneurial direction. It proposes a holistic view of "being entrepreneurial" as an organizational attribute, encompassing top management style, organizational configuration, and new entry initiatives (Covin, 1991; Wang, 2017; Wales, 2020). EO has two types of entrepreneurial activities in organizations: beyond-boundary focus (expanding beyond existing boundaries) and within-boundary focus (activities within existing boundaries). Organizational factors, such as top management leadership, strategic orientation, organizational culture, internal mechanisms impact on organizational performance (Kantur & İşeri-Say, 2013).

The identified research lacuna is associated with an insufficient and incomplete examination of variables influencing the success of sustainable businesses. To formulate the hypothesis, an extensive literature review was conducted. It is imperative to address this gap by scrutinizing direct and mediating links with the dependent variable. This study comprehensively reviews research articles sourced from diverse databases such as ScienceDirect, Google Scholar, ProQuest, and other reputable platforms. In the first construct, EO is delimited to Risk-taking, Proactiveness, and Innovation. The second construct encompasses economic, social, and environmental performance, with an exploration of their combined impact on Sustainable business performance. The hypothesis, derived from the literature, warrants further investigation through data testing in PLS-SEM.

The paper is organized in the following manner: Section 2 will include an in-depth look at the existing body of literature about Entrepreneurial orientation, Innovation, Risk taking, Proactiveness, and sustainable business performance. Additionally, a conceptual framework for research shall be developed from this review. Section 3 outlines the methodology applied to carry out the study. Section 4 provides a detailed explanation of the findings for this research. Section 5 concludes the research and points out the limitations of our research.

## **THEORETICAL FRAMEWORK**

### **Theoretical foundation on Resource-Based view**

According to the Resource-Based view, organizations possessing "strategic resources" are believed to gain significant competitive advantages. Resources like capital and automobiles, easily obtainable by rivals, are not considered strategic. In contrast, a resource is deemed strategic if it is valuable, rare, difficult to replicate, and organized to capture value (Kennedy, 2020). The resource-based view (RBV) theory posits that a firm's competitive advantage and superior performance stem from its specific resources and capabilities (Kiyabo and Isaga, 2020). RBV strategic resources are those that are valuable, non-substitutable, and rare, serving as key differentiators between advantaged and disadvantaged firms (Kellermanns et al., 2016). The "resource-based view (RBV)," developed by Barney, focuses on internal organizational components to enhance firm performance and competitiveness. This perspective underscores the significance of unique, valuable, and rare resources in driving organizational success.

### **Entrepreneurial Orientation**

Entrepreneurship is characterized as an organizational trait, primarily demonstrated through entrepreneurial orientation. This has evolved from practical experience, and various concepts associated with entrepreneurial orientation have contributed to the expansion of the existing body of literature. Among them Miller (1983), Covin and Slevin (1991) are the researchers who have reached the most conclusive conclusions from their research. The primary distinction between the two schools of thought is that the former emphasizes an entrepreneurial orientation that is constructed on several aspects, such as "risk-taking, proactiveness, and innovativeness." Taking risks, being inventive, and being proactive are all essential covariant elements that contribute to the presence of an entrepreneurial orientation, as stated by Miller, Covin, and Slevin (1989). Lumpkin and Dess (1996), on the other hand, expanded the scope of these covariant elements by including autonomy and competitive aggressiveness, and they connected these dimensions with the contextual dependency of the organization. Furthermore, three other preliminary ideas of entrepreneurial orientation, including "entrepreneurial top management style, new entry initiatives and organizational configuration" are proposed to

address the variables of entrepreneurial orientation that intersect with one another (Wales and Covin, 2020). Jambulingam and Kathuria (2004) conducted a study in which they examined six aspects of entrepreneurial orientation. The researchers developed organizational clusters that viewed entrepreneurial orientation as an imperceptible that ultimately improved the performance of a company. Instead of depending only on EO, managers in developing markets should focus on activities within the company that encourage sharing of information and new ideas (Isichei et al., 2020)

*Innovation:* Innovation plays a pivotal role in leveraging opportunities as it enables a company to capitalize on the dynamic nature of customers' evolving tastes and preferences in any market. The extent to which a company is perceived as creative in its operations and management hinges on a fundamental aspect of its overall management strategy (Lumpkin and Dess, 1996). It is also said that innovativeness is process-driven and that it is essential for a business to stay alive because it helps it grow and improve its place in the industry (Swierczek and Ha, 2003).

*Proactiveness:* Lumpkin and Dess (1996) proposed that being proactive is important for organizations to be successful because it gives them a clear goal for the future that is backed by their ability to turn this into new goods or improve old ones, which leads to a lot of business activity. One of the most important things about being proactive is that it lets the company lead the industry instead of following it. This makes the company a proactive outfit that puts customers and owners first. It basically means having the drive and awareness to take advantage of new possibilities in the environment, even if no one else in the industry knows about them. It gives the company an edge over others and lets them know how much customers will like their goods or services (Cahill, 1996). Thus, to improve performance, proactiveness must be accompanied by a sincere attempt to implement the recognized idea.

*Risk-taking:* It measures how hard an organization can push itself to act, even when it doesn't know what will happen (Kallmuenzer and Peters, 2018). According to Lumpkin and Dess (1996), held that in real life, the risk-taking behavior will have different effects on the organization's



results or goals and objectives because of the way different factors interact with the structure and processes of the group.

### **Sustainable Business Performance**

Sustainable business models are crucial representations of how organizations create, deliver, capture, and exchange sustainable value with a diverse range of stakeholders. Key elements in sustainable business model innovation involve generating economic, societal, and environmental value while collaborating with a broader set of stakeholders (Geissdoerfer, 2016).

The concept of Sustainable Business Performance serves as the primary objective, aiming to align businesses with the transition towards a more sustainable economic system. It encourages the incorporation of environmentally friendly factors into organizational practices and aids businesses in achieving their sustainability goals (Rashid et al., 2013; Stubbs and Cocklin, 2008; Wells, 2013). Entrepreneurial orientation (EO) is identified as a significant factor in sustainable business success. Individuals with an entrepreneurial orientation, characterized by risk-taking, bold initiatives, and foresight, are more likely to build sustainable companies and contribute positively to sustainable business practices (Wales and Covin, 2020; Wales, 2016).

Entrepreneurship is becoming more and more seen as a significant way to promote environmentally friendly practices. Some of the world's most important thinkers have even suggested that businesses could help solve many of the world's most pressing social and environmental problems. The triple bottom line is an important idea in this transition. It says that companies should not only focus on making money, but they should also keep an eye on and promise to evaluate how their actions affect people and the environment (The Triple Bottom Line: What It Is & Why It's Important, 2020).

Sustainability, as outlined by Elkington (1998) and Henry et al. (2019), involves a comprehensive evaluation of environmental, social, and economic performance. Environmental performance scrutinizes resource utilization and its associated environmental impacts, while social

performance encompasses factors such as workplace health, safety, and employee motivation. Economic performance, the third dimension, addresses aspects crucial to consistent operational and financial success. Achieving economic performance is identified as a key factor in overall sustainability (Gimenez et al., 2012; Martinez-Jurado and Moyano-Fuentes, 2014).

Ambec and Lanoie (2008) assert that embracing environmental responsibility provides unique opportunities for revenue enhancement. These opportunities include facilitating access to specific markets, differentiating goods, selling pollution-control technologies, effective risk management, and managing costs related to materials, energy, services, capital, and labor (Ambec and Lanoie, 2008). This research contributes to the discourse on integrating sustainability practices within businesses, emphasizing the potential financial benefits and market advantages that stem from a commitment to environmental responsibility.

The link between EO and sustainability performance, encompassing environmental performance, social performance, and economic performance has gained attention in research (Hall et al., 2010; Elkington, 1998; Henry et al., 2019). Entrepreneurs in the Berlin entrepreneurial ecosystem embody various social identities that contribute uniquely to sustainability transitions, shaping the entrepreneurial landscape (Gebhardt & Bachmann, 2023). Organization sustainability involves integrating social and environmental concerns into commercial operations and relationships with stakeholders, going beyond the fundamental objective of profit creation for shareholders (Park, 2023). To ensure Corporate Social Responsibility, companies must broaden their economic responsibilities to encompass environmental, social, and governance obligations, satisfying both existing and potential future stakeholders (Eccles et al., 2014).

Based on the previous research on Entrepreneurial Orientation–Sustainable Business Performance relationship, it can be concluded that there is still a research gap where there are only few studies investigating the dimensions of EO (Innovation, Risk taking and Proactiveness) and Sustainable Business Performance. This study tries to fill in the gap and it can be hypothesized that,

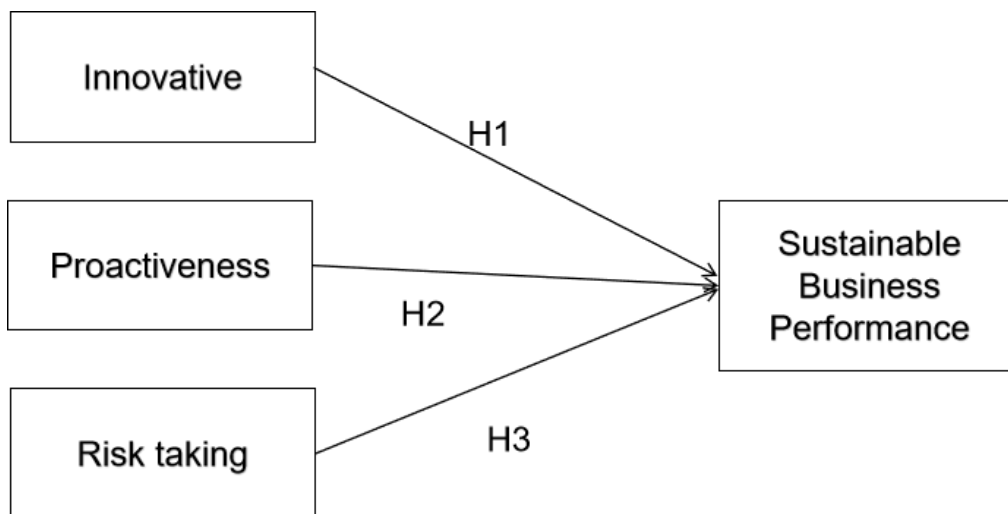
**Hypothesis 1 (H1):** *Innovation has a positive significant effect on Sustainable Business Performance.*

**Hypothesis 2 (H2):** *Risk taking has a positive significant effect on Sustainable Business Performance.*

**Hypothesis 3 (H3):** *Proactiveness has a positive significant effect on Sustainable Business Performance.*

### RESEARCH METHODOLOGY

The study focuses on two primary research questions: firstly, examining the correlation between Entrepreneurial Orientation (EO) and Sustainable Business Performance (SBP) through a literature review. Secondly, it aims to investigate the impact of EO on the SBP of organizations, specifically delving into the effects of Innovativeness, Risk-taking, and Proactiveness on the sustainability performance of these entities. Based on the previous literature and research objective, this research proposed a conceptual framework in Figure 1. In this conceptual framework EO is taken as the independent variable and SBP is treated as the dependent variable.



**Figure 1: Conceptual Framework**

### **Measure**

The study adopted entrepreneurial orientation's three dimensions such as Innovativeness, risk taking and proactiveness. The study adopted six items to measure the innovativeness (e.g., "My workplace really values and appreciates creativity and coming up with new ideas"), six item for risk taking (e.g., "Innovation in my organization is perceived as too risky and is resisted") and five item for proactiveness (e.g., "My organization's new strategy makes the competitors respond in the market"), adopted from the study (Arshi, 2016) (Miller 1984) (lumpkin, 1996).

Nine items were taken from the study of W. S. Chow, Y. Chen (2012) and Dey, P.K.(2022) to measure Sustainable Business performance. Three statements from each of social performance, environmental performance, and economic performance (e.g., "my firm generates revenue by selling waste (scrap or E-waste) products").

### **Population and Sampling**

The research population consisted of three small and medium-sized enterprise (SME) sectors, namely Manufacturing, Service, and Trade. The Madras Chamber of Commerce has recognized over 600 enterprises as Small and Medium Enterprises (SMEs). The data was gathered by the survey data collection method during a period of four months, from November 2023 to February 2024. The survey was conducted by targeting 150 workers throughout the organizational structure of small and medium-sized enterprises (SMEs) via personal visits and the use of WhatsApp Quick response (QR) scanning. To ensure participation, we issued 1-2 gentle reminders for each round of the survey. Prior to posing the inquiries, we included a consent statement, and comprehensive information on the study's aim, and provided reassurance to the participants that their answers would solely be used for academic research objectives, with a commitment to upholding their confidentiality.

Data collection, data related to demographic characteristics such as age, experience, Hierarchical position, and the size of SME's were collected. Data concerning the Entrepreneurial Orientation with the dimensions of Innovative, Risk taking and Proactiveness is collected further data on

Sustainable business practices is also collected from the questionnaire. A total of 150 responses were collected, however around 5 responses were rejected due to missing information. Thus the response yielding is at 99.96% were further possessed for data analysis (Mandeville & Roscoe, 1971).

**Table 1: Descriptive Statistics of the Respondents**

Item	Range	Frequency	Percentage (%)
Age of the Organization	Less than 3 yrs	16	11.03%
	3 - 5 years	26	17.93%
	5 - 10 years	33	22.76%
	10 - 15 years	45	31.03%
	above 15 years	25	17.24%
Industry	Manufacturing	24	16.55%
	Service	96	66.21%
	Trade	25	17.24%
No. of Employees	Less than 50	32	22.07%
	51 - 200	77	53.10%
	201 - 500	25	17.24%
	501+	11	7.59%

As can be observed in Table 1, the organizations that were surveyed were categorized according to their age, which is defined as the number of years they have been in operation, the sort of industry they operate in, and the number of workers they have. To gather the thoughts of the respondents on the organization, a rank scale of ratings was used. Scales of evaluation are often used in the field of social sciences, in addition to the evaluation of characteristics of organizations. When it comes to measuring scales, the Likert scale is among the most extensively used. The responder is required to respond to a sequence of assertions using the Likert scale, indicating the

degree to which they agree or disagree with each item. For this study, a Likert scale with five points was used.

To test the links between the entrepreneurial variables and SBP, this study used partial least-squares (PLS-SEM), a non-parametric method for structural equation modeling. The PLS-SEM path analysis doesn't have any limits on the sample size and can work with uneven data better than other SEM methods (Chin, W.W., & Newsted, P.R., 1999). The PLS-SEM results were found in two steps. The first step was to find the relationships and make sure the assumptions were correct using convergent validity and reliability (measurement model analysis). The second step was to look at the relationships more closely (structural path analysis).

**Convergent Validity and Reliability**

To check if the model is reliable, factor loadings, Cronbach's Alpha, composite reliability, and AVE estimates were provided. The results of factor loading, and the levels of significance are shown in Table 2. Based on the data, all of the things have factor loadings that are higher than 0.7. But Hair et al. (2009) used a 0.5 level as a cutoff for factor loadings. Indicators were called cross-loaders if they loaded at 0.5 or higher on two or more factors. There is a lot of uniformity in the indicators of the hidden variables because the Cronbach's alpha values for all categories are more than 0.7 (Hair, 2010). The average variance extracted (AVE) for each construct has been found to show that the validity is convergent. The AVEs for all categories were higher than the minimum value of 0.50 suggested by Fornell and Larcker (1981), which shows that the validity is convergent (see Table 3).

**Table 2. Outer Loading**

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV  )	P values
SBP1 <- Sustainable					
Business Performance	0.758	0.753	0.088	8.572	0.000

SBP2 <- Sustainable					
Business Performance	0.787	0.782	0.073	10.774	0.000
SBP3 <- Sustainable					
Business Performance	0.515	0.504	0.186	2.766	0.006
SBP4<- Sustainable					
Business Performance	0.799	0.79	0.087	9.193	0.000
SBP5 <- Sustainable					
Business Performance	0.843	0.836	0.072	11.633	0.000
SBP6 <- Sustainable					
Business Performance	0.774	0.768	0.1	7.714	0.000
SBP7 <- Sustainable					
Business Performance	0.811	0.806	0.063	12.835	0.000
SBP8 <- Sustainable					
Business Performance	0.723	0.709	0.087	8.287	0.000
SBP9 <- Sustainable					
Business Performance	0.77	0.762	0.098	7.878	0.000
INN1 <- Innovative					
Business Performance	0.856	0.833	0.129	6.622	0.000
INN2 <- Innovative					
Business Performance	0.834	0.823	0.137	6.1	0.000
INN3 <- Innovative					
Business Performance	0.792	0.768	0.139	5.708	0.000
INN4 <- Innovative					
Business Performance	0.694	0.655	0.185	3.758	0.000
INN5 <- Innovative					
Business Performance	0.828	0.8	0.139	5.972	0.000
INN6 <- Innovative					
Business Performance	0.847	0.831	0.126	6.747	0.000
PRO1 <- Proactiveness					
Business Performance	0.895	0.886	0.074	12.042	0.000
PRO2 <- Proactiveness					
Business Performance	0.803	0.783	0.115	6.999	0.000
PRO4 <- Proactiveness					
Business Performance	0.507	0.481	0.27	1.875	0.001
PRO5 <- Proactiveness					
Business Performance	0.839	0.837	0.074	11.298	0.000
R2 <- Risk taking					
Business Performance	0.567	0.53	0.237	2.398	0.017
R5 <- Risk taking					
Business Performance	0.895	0.886	0.063	14.097	0.000
R6 <- Risk taking					
Business Performance	0.902	0.898	0.069	13.044	0.000

**Table 3. Construct reliability and validity**

	<b>Cronbach's alpha</b>	<b>Composite reliability (rho_a)</b>	<b>Composite reliability (rho_c)</b>	<b>Average variance extracted (AVE)</b>
Innovative	0.898	0.936	0.919	0.656
Proactiveness	0.774	0.845	0.853	0.602
Risk taking	0.713	0.806	0.84	0.645
Sustainable Business Performance	0.907	0.923	0.924	0.577

Table 4 shows the discriminant validity with a correlation matrix which demonstrates the AVE of each latent variable on the diagonal and the squared correlations in the other parts of the matrix that aren't diagonal. The discriminant validity was shown by all categories, and the AVE was higher than the squared correlation. We also got the same results with the heterotrait-monotrait (HTMT) ratio of association, which is the second way to check for discriminant validity. Differential validity measures like the Fornell–Lacker criterion are not as good as the HTMT matrix when it comes to specificity and sensitivity. A level of 0.9 has been suggested by several writers (Henseler et al., 2014). The discriminant validity is proven if the HTMT number is less than this level (see Table 5).

**Table 4. Discriminant validity (Fornell criterion).**

	<b>Innovative</b>	<b>Proactiveness</b>	<b>Risk taking</b>	<b>Sustainable Business Performance</b>
Innovative	0.81			
Proactiveness	0.679	0.776		
Risk taking	0.542	0.611	0.803	
Sustainable Business Performance	0.505	0.535	0.62	0.759



Performance

**Table 5. HTMT criterion.**

	Innovative	Proactiveness	Risk taking	Sustainable Business Performance
Innovative				
Proactiveness	0.83			
Risk taking	0.569	0.789		
Sustainable Business Performance				
Performance	0.524	0.582	0.598	

**RESULTS AND DISCUSSION**

As a statistical research method, structural equation modeling was looked into to test the research theories and refer to the conceptual research model that was built. The path analysis was done first, and the results can be seen in Table 6.

**Table 6: Path Analysis**

	Original sample (O)	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values	Remark
Innovative -> Sustainable Business Performance	0.271	0.128	2.098	0.036	Significant
Proactiveness -> Sustainable Business Performance	0.208	0.101	2.081	0.041	Significant

Risk taking -> Sustainable

Business Performance	0.146	0.171	0.852	0.394	Insignificant
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Table 6 displays the slope coefficients, t-statistics, and significance values for the different relationships between the entrepreneurial orientation variable and sustainable business practices. The results support Hypothesis 1, confirming a positive and significant impact of INN on SBP. The slope coefficient of INN over SBP is 0.271, and it is significant at the 5% level. Thus, H1 is supported, providing sufficient evidence for the positive and significant impact of INN over SBP. Similarly, the results support Hypothesis 2, confirming a positive and significant impact of PRO on SBP. The slope coefficient of PRO over SBP is 0.208, and it is significant at the 5% level. Hence, H2 is supported, indicating sufficient evidence for the positive and significant impact of PRO over SBP. However, the impact of RT on SBP is found to be negative, but the results do not indicate significance ( $\beta = 0.394$ ,  $p > 0.05$ ), thus H3 is not supported.

The conclusion demonstrates that the relationship between taking risks and sustainable business performance is not substantial; however, the relationship between innovation, proactiveness, and sustainable business performance is considerable. Earlier studies presented evidence of a methodology that was comparable. Okręglička et al. (2023) identified the determinants for modern organizations striving to achieve long-term sustainability. Apart from risk-taking, other determinants such as autonomy, competitive aggressiveness, innovation, and organizational support impact sustainability.

With regard to the research model, the fit parameters are shown in Table 7. According to Hair (2009), the value of SRMR 0.06, which is a measurement of the difference between the observed correlation and the model's inferred correlation matrix, falls within a valid limit of less than 0.10. Both the squared Euclidean distance ( $d_{ULS}$ ) and the geodesic distance ( $d_G$ ), which are used to calculate the discrepancy, are found to be within the confidence limits, which indicates that the relationship between the two is consistent with the model. According to Bayne et al. (1992), the

value of NFI that is closer to 1 is a better match and, as a result, should be considered more acceptable.

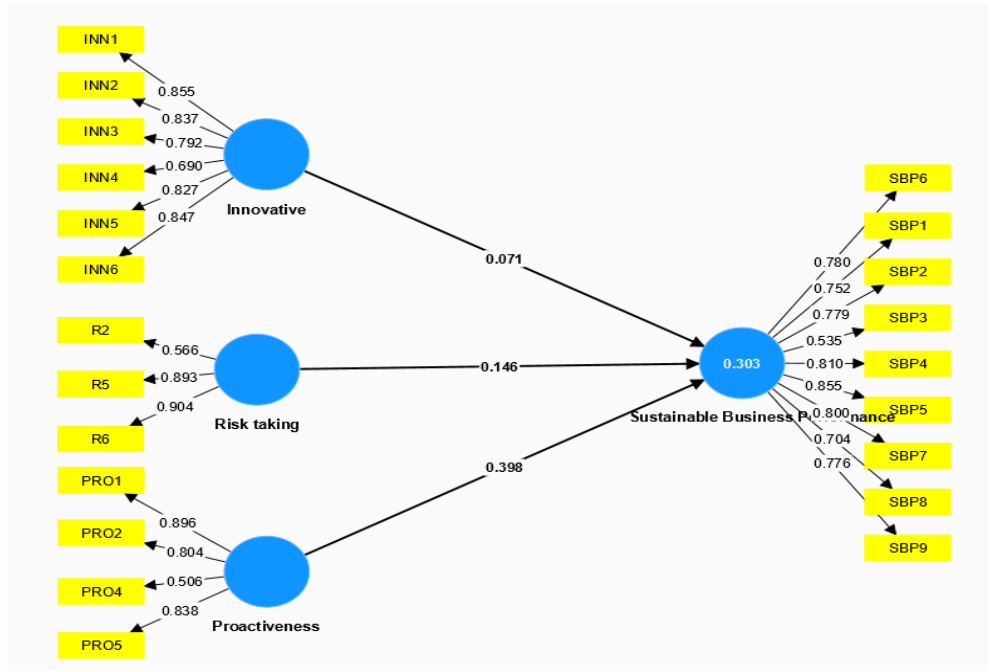


Figure 2: Graphic manifestation of the empirical verification of the conceptual research model.

Table 7: Model fit

	Saturated model	Estimated model
NFI	0.819	0.711
SRMR	0.06	0.09
d_G	0.69	0.77
d_ULS	1.694	2.037

## CONCLUSION

In the past few years, several research papers on sustainable development have been published. This shows how important the topic is, but it also shows that there are still a lot of questions that need to be answered. Even though the idea of SBP is well known, more study needs to be done in a wide range of organizational types because it is complex and related to other areas of

business management. To find out more about SBP, we came up with three hypotheses about three aspects of business mindset (INN, RT, and PRO) that we found to affect SBP. We showed how these factors show up alone or together in research papers published around the world. To make sure the research process was clear and consistent, we changed the research method to fit the ideas and results that came out of it.

This study has some limitations of its own. First, people who filled out the form were asked to rate each item on a 5-point Likert scale. This was done so that all parts of the study could be evaluated. There is a chance that these evaluations will have bias and mistakes in judgment. Another problem is that all the factors have to be looked at at once, which means that the suggestions can only be used if the things that were looked at work in the same way, that is, if the external environment doesn't change. The study only looked at small and medium-sized businesses, not big companies. In future study, more variables may be looked at to find out what factors affect the SBP and what factors act as mediators or moderators. For future study, the same thing can be done in companies of different sizes (micro, big), and it can also be done in countries with different levels of social and economic growth, which would allow for a comparison.

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## Ethical Considerations in AI-driven Financial Decision Making

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### ABSTRACT

AI-driven technologies are increasingly shaping financial decision-making processes, prompting significant ethical considerations. This study offers an extensive exploration of the ethical ramifications linked with the incorporation of Artificial Intelligence (AI) in financial decision-making frameworks. By amalgamating insights from prevailing literature and frameworks, we scrutinize pivotal ethical challenges such as algorithmic bias, opacity, data privacy concerns, and potential societal implications. Additionally, we deliberate various ethical paradigms and proposed solutions aimed at tackling these challenges. This paper contributes to the ongoing dialogue on the ethical integration of AI in the financial realm, underscoring the criticality of embedding ethical considerations into AI-driven financial decision-making frameworks. As financial institutions strive to harness the potential of AI technologies, upholding ethical standards emerges as paramount, necessitating robust governance mechanisms and accountability frameworks. Through meticulous examination, this paper not only discerns ethical quandaries but also furnishes actionable insights for

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stakeholders to navigate the intricate domain of AI ethics in finance.

**KEYWORDS:** Artificial Intelligence, Financial decision-making, Ethical implications, Algorithmic bias, Transparency, Data privacy

## **INTRODUCTION**

The incorporation of Artificial Intelligence (AI) into financial decision-making processes has surged in recent years, marking a transformative shift in the operations of financial institutions (Cao, 2022). However, amidst the myriad advantages AI brings, it also presents substantial ethical considerations that demand attention (Breidbach & Maglio, 2022; Patel, 2022). This article offers a comprehensive overview of the subject matter, underscoring the escalating significance of ethical deliberations in AI-powered financial decision-making. We delve into the landscape of AI ethics, delineate the research focus, and elucidate the objectives of this paper. Furthermore, we provide a succinct roadmap of the paper's structure, guiding readers through the subsequent sections (Eitel-Porter, 2020; Cath, 2021).

## **LITERATURE REVIEW**

The literature review offers an extensive exploration of existing research on AI implementation in finance, emphasizing ethical considerations. It scrutinizes pivotal concepts such as equity, openness, prejudice, answerability, and confidentiality within the framework of AI-powered financial decision-making (Hentzen et al., 2022; Marda, 2022; Breidbach & Maglio, 2022). Drawing upon a variety of studies, frameworks, regulations, and guidelines, this segment delivers a thorough examination of the ethical panorama surrounding AI in finance (Hentzen et al., 2022; Marda, 2022; Breidbach & Maglio, 2022).

In recent times, AI technologies have gained prominence in the financial domain due to their potential to amplify efficiency, precision, and decision-making capabilities. However, accompanying these benefits are significant ethical considerations demanding attention. The infusion of AI into financial infrastructures raises queries about fairness, particularly

concerning algorithmic predispositions. AI algorithms, especially machine learning models, are trained on historical data, which may encompass biases ingrained in the data gathering process or reflect societal biases. These predispositions can culminate in prejudiced outcomes, such as inequitable lending practices or biased investment recommendations, disproportionately impacting specific demographic cohorts (Hentzen et al., 2022).

Transparency stands as another pivotal ethical consideration in AI-driven financial decision-making. Numerous AI algorithms employed in finance function as enigmatic entities, complicating comprehension of decision-making processes. Deficiency in transparency can corrode confidence in financial institutions and elevate apprehensions regarding accountability and supervision. Stakeholders, inclusive of regulators, consumers, and investors, may advocate for enhanced transparency to ascertain that AI-driven financial decisions are comprehensible and equitable (Marda, 2022).

Furthermore, data privacy emerges as a consequential ethical apprehension in AI-driven finance. Financial institutions amass copious amounts of sensitive personal and financial data from consumers to train AI models and facilitate decisions. Safeguarding the privacy and security of this data is imperative to forestall unauthorized access, misuse, or breaches that could jeopardize individuals' financial well-being and erode trust in the financial ecosystem (Breidbach & Maglio, 2022). Moreover, AI-powered financial decision-making engenders broader societal ramifications, encompassing queries of economic disparity, social equity, and systemic vulnerability. The widespread adoption of AI technologies in finance may exacerbate extant disparities by favoring specific individuals or groups. Additionally, the interconnected structure of financial markets implies that AI-driven decisions in one sector can reverberate across the entire financial landscape, potentially amplifying systemic risks and vulnerabilities (Breidbach & Maglio, 2022).

Addressing these ethical quandaries necessitates a multifaceted approach entailing collaboration among financial entities, regulators, policymakers, and other stakeholders.

Instituting robust governance frameworks, integrating ethical principles into AI design and development processes, and advocating transparency and accountability are pivotal strides toward ensuring that AI-driven financial decision-making espouses fairness, inclusivity, and social responsibility (Cath, 2021; Hentzen et al., 2022; Marda, 2022).

### **ETHICAL CONSIDERATIONS SURROUNDING AI-INTEGRATION IN FINANCIAL DECISION MAKING**

Artificial Intelligence (AI) has ushered in notable advancements within the financial sector, revolutionizing various facets of decision-making processes (Cao, 2022). Nevertheless, these advancements bring forth ethical dilemmas that necessitate attention to ensure the responsible and equitable utilization of AI technologies. One primary ethical concern in AI-driven financial decision-making pertains to the challenge of algorithmic fairness. AI algorithms, particularly machine learning models, undergo training on historical data, which might encapsulate inherent biases or mirror societal prejudices (Breidbach & Maglio, 2022). Such biases can lead to inequitable outcomes, such as unjust lending practices or prejudiced investment suggestions, disproportionately impacting specific demographic segments.

Transparency emerges as another pivotal ethical aspect (Patel, 2022). Numerous AI algorithms deployed in finance operate as opaque entities, complicating comprehension of decision-making procedures. The absence of transparency could erode trust in financial institutions and evoke apprehensions regarding accountability and oversight. Stakeholders, including regulators, consumers, and investors, may advocate for heightened transparency to ensure that AI-driven financial decisions are elucidated and equitable. Additionally, safeguarding data privacy represents a substantial ethical apprehension in AI-driven finance. Financial institutions amass vast troves of sensitive personal and financial data from consumers to train AI models and facilitate decisions. Ensuring the privacy and security of this data is imperative to thwart unauthorized access, misuse, or breaches that could jeopardize individuals' financial well-being and undermine trust in the financial ecosystem (Breidbach & Maglio, 2022).

Moreover, AI-driven financial decision-making engenders broader societal repercussions,

encompassing queries of economic disparity, social equity, and systemic vulnerability (Patel, 2022). The universal adoption of AI technologies in finance might exacerbate existing disparities by favoring specific individuals or groups. Additionally, the interlinked structure of financial markets implies that AI-driven decisions in one sector can reverberate across the entire financial landscape, potentially magnifying systemic risks and vulnerabilities. Addressing these ethical quandaries mandates a multifaceted approach involving collaboration among financial institutions, regulators, policymakers, and other stakeholders (Breidbach & Maglio, 2022). Implementing robust governance frameworks, infusing ethical principles into AI design and development processes, and championing transparency and accountability are indispensable strides toward ensuring that AI-driven financial decision-making espouses fairness, inclusivity, and social responsibility (Patel, 2022).

### **ALGORITHMIC BIAS IN FINANCIAL DECISION MAKING**

Algorithmic bias poses a significant ethical challenge in AI-driven financial decision-making. Machine learning models, integral to AI algorithms, heavily rely on historical data to make predictions and recommendations (Breidbach & Maglio, 2022). However, if this historical data contains biases related to gender or race, the algorithms may perpetuate and potentially exacerbate these biases in financial decision-making processes. An example of algorithmic bias is evident in credit scoring algorithms utilized by financial institutions to evaluate individuals' creditworthiness. Studies have indicated that these algorithms may systematically discriminate against certain demographic groups, such as minority communities, by assigning lower credit scores or offering less favorable loan terms (Breidbach & Maglio, 2022). Consequently, this bias can lead to financial exclusion and worsen existing disparities in access to credit and financial services.

Moreover, algorithmic bias can manifest in other aspects of financial decision-making, including investment recommendations and risk assessment. For instance, investment algorithms that prioritize historical performance data may overlook investment opportunities in underserved communities or fail to consider emerging market trends not adequately

represented in historical data. Similarly, risk assessment algorithms employed by insurance companies may unfairly penalize certain demographic groups based on historical claims data, resulting in higher premiums or denial of coverage. Mitigating algorithmic bias requires a multifaceted approach encompassing both technical and ethical dimensions. From a technical perspective, developers and data scientists must adopt strategies to detect and address biases in AI algorithms, such as algorithmic auditing and fairness-aware machine learning techniques (Breidbach & Maglio, 2022).

Ethically, financial institutions must prioritize fairness and equity in their AI-driven decision-making processes. This involves ensuring diversity and representation in the development and deployment of AI systems, as well as actively engaging with affected communities to understand and mitigate potential biases. Additionally, regulators and policymakers play a crucial role in establishing guidelines and standards for ethical AI utilization in finance, including mandates for transparency, accountability, and fairness. By proactively addressing algorithmic bias in financial decision-making, organizations can enhance trust and confidence in AI systems, promote fairness and inclusivity, and mitigate the adverse effects of biased algorithms on individuals and communities.

### **LACK OF TRANSPARENCY IN AI SYSTEMS**

Opacity presents a significant ethical concern in AI-driven financial decision-making. Many AI algorithms utilized in finance operate as enigmatic black boxes, rendering it arduous for stakeholders to comprehend how decisions are reached (Cao, 2022; Ashok et al., 2022; Cath, 2018). This opacity can undermine confidence in financial institutions and evoke apprehensions regarding accountability and oversight. The complexity of the underlying algorithms primarily contributes to the opacity of AI systems. Machine learning models, especially, entail intricate mathematical computations and nonlinear relationships between input variables and outputs, making them inscrutable to non-experts (Cao, 2022). Additionally, algorithms developed by private entities may remain shielded from public scrutiny, further exacerbating the lack of transparency and accountability.

The opacity inherent in AI systems can yield several ramifications for financial decision-making. Firstly, it may impede stakeholders' capacity to comprehend and contest algorithmic decisions, particularly if they yield unfavorable outcomes (Cao, 2022). For instance, if an individual faces loan denial based on an AI-driven credit scoring model, understanding the factors influencing the decision becomes challenging, along with discerning potential biases. Furthermore, opacity can evoke concerns regarding fairness and discrimination (Ashok et al., 2022). Stakeholders may question whether AI algorithms base decisions on pertinent and unbiased factors if they cannot discern how decisions are reached. This skepticism can erode trust in financial institutions and exacerbate existing disparities in financial service accessibility.

To tackle the opacity of AI systems, financial institutions must prioritize elucidation and interpretability in their AI-driven decision-making processes (Cao, 2022). This entails furnishing stakeholders with lucid explanations regarding how AI algorithms operate, the data they leverage, and the decision-making process. Techniques such as model explainability methods and interpretability tools can facilitate rendering AI systems more transparent and comprehensible to non-experts. Moreover, regulators and policymakers can play a pivotal role in advocating transparency and accountability in AI-driven finance (Cath, 2018). They can mandate disclosure requisites for AI systems employed in financial decision-making, necessitate financial institutions to furnish explanations for algorithmic decisions, and institute mechanisms for independent auditing and oversight. By augmenting transparency and accountability, regulators can ascertain that AI-driven financial decision-making processes uphold fairness, trustworthiness, and ethical standards.

#### **DATA PRIVACY CONCERNS IN AI-DRIVEN FINANCE**

Privacy emerges as a significant ethical concern in AI-driven finance, where financial institutions amass substantial volumes of sensitive personal and financial data from consumers to train AI models and inform decisions (Breidbach & Maglio, 2022). Preserving the

privacy and security of this data becomes imperative to prevent unauthorized access, misuse, or breaches that could jeopardize individuals' financial well-being and undermine trust in the financial ecosystem. The utilization of AI technologies in financial decision-making processes often entails the processing of sensitive personal information, encompassing individuals' income, spending patterns, credit history, and investment inclinations (Breidbach & Maglio, 2022). Such practices evoke apprehensions regarding data privacy and the potential for misuse or unauthorized access to personal data.

A critical challenge in safeguarding data privacy in AI-driven finance revolves around the risk of data breaches and cyberattacks, with financial institutions being prime targets for cybercriminals aiming to pilfer valuable financial data for nefarious purposes (Breidbach & Maglio, 2022). The ramifications of a data breach can be severe, spanning from financial losses to reputational damage and legal liabilities for the affected institution. Moreover, the deployment of AI algorithms to analyze and make decisions based on personal data poses risks to individuals' privacy rights. AI systems may inadvertently disclose sensitive information or infer personal attributes without individuals' explicit consent, leading to privacy infringements (Breidbach & Maglio, 2022). For instance, an AI-driven credit scoring model might leverage factors like social media activity or online shopping habits to assess individuals' creditworthiness, potentially divulging private details about their lifestyle or preferences.

To address data privacy concerns in AI-driven finance comprehensively, financial institutions must embrace robust data protection measures and adhere to pertinent regulations and standards (Breidbach & Maglio, 2022). This entails implementing stringent encryption techniques to fortify data during transmission and storage, instituting access controls and authentication mechanisms to curb unauthorized access, and routinely monitoring and auditing systems for security vulnerabilities. Furthermore, financial institutions must ensure transparency and accountability in their data handling practices by furnishing individuals with clear and concise privacy notices, elucidating how their data will be utilized, shared, and safeguarded (Breidbach & Maglio, 2022). Additionally, obtaining individuals' consent before



collecting or processing their personal data for AI-driven decision-making purposes becomes imperative.

Regulators wield a crucial role in upholding data privacy in AI-driven finance by establishing and enforcing data protection laws and regulations mandating financial institutions to adopt adequate security measures and safeguard individuals' privacy rights (Breidbach & Maglio, 2022). By holding organizations accountable for data privacy violations and imposing penalties for non-compliance, regulators can incentivize responsible data handling practices and engender trust in AI-driven financial systems. In essence, data privacy concerns constitute a pivotal ethical consideration in AI-driven finance. Financial institutions must accord utmost priority to protecting individuals' personal data and comply with relevant regulations and standards to mitigate risks and ensure trustworthiness (Breidbach & Maglio, 2022). By embracing robust data protection measures, fostering transparency and accountability, and collaborating with regulators, stakeholders can effectively address data privacy concerns and foster confidence in AI-driven financial decision-making processes.

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trustworthiness. By embracing robust data protection measures, fostering transparency and accountability, and collaborating with regulators, stakeholders can effectively address data privacy concerns and foster confidence in AI-driven financial decision-making processes.

### **SOCIAL IMPLICATIONS OF AI IN FINANCIAL DECISION MAKING**

As AI technologies become increasingly integrated into financial systems and processes, they have the potential to reshape social dynamics, economic structures, and power relations in profound ways (Patel, 2022). One of the critical social implications of AI in finance lies in its impact on economic inequality and social justice. AI algorithms utilized in financial decision-making may exacerbate existing disparities by favoring certain individuals or groups over others (Patel, 2022). For instance, AI-driven lending models might systematically discriminate against marginalized communities or individuals with limited access to traditional financial services, perpetuating cycles of poverty and exclusion. Moreover, the widespread integration of AI technologies in finance may precipitate job displacement and alterations in employment patterns, thereby contributing to socioeconomic inequality (Patel, 2022).

As AI systems automate routine tasks and decision-making processes, they could replace human workers in certain roles, particularly those involving repetitive or predictable tasks, potentially leading to job loss and economic insecurity for workers in affected industries. Additionally, AI-driven financial decision-making could have implications for systemic risk and financial stability. The interconnected nature of financial markets implies that decisions made by AI algorithms in one sector can reverberate across the entire financial system, amplifying systemic risks and vulnerabilities (Patel, 2022). For example, AI-driven trading algorithms might exacerbate market volatility or trigger cascading effects that culminate in widespread market disruptions or crashes.

Furthermore, AI technologies may raise concerns regarding algorithmic accountability and governance, particularly in opaque or complex decision-making processes. As AI algorithms become increasingly sophisticated and autonomous, tracing decision-making logic or

identifying responsible parties in the event of errors, biases, or adverse outcomes could become challenging, potentially eroding trust in financial institutions and undermining confidence in AI-driven decision-making systems. Addressing the social implications of AI in financial decision-making necessitates a multifaceted approach that considers the interests and perspectives of diverse stakeholders, including policymakers, regulators, industry players, and civil society organizations (Patel, 2022). Prioritizing ethical principles such as fairness, transparency, accountability, and inclusivity in the design, development, and deployment of AI technologies in finance is essential.

Furthermore, stakeholders must engage in ongoing dialogue and collaboration to anticipate and mitigate potential risks and challenges associated with AI-driven financial decision-making. This includes conducting thorough risk assessments, implementing appropriate safeguards and controls, and monitoring AI systems' impact on society and the economy (Patel, 2022). By proactively addressing social implications and advocating for responsible AI adoption, stakeholders can harness the transformative potential of AI while mitigating potential harms and ensuring equitable outcomes for all.

### **IMPLEMENTATION CHALLENGES AND CONSIDERATIONS**

While the integration of AI in financial decision-making holds great promise, it also presents several implementation challenges and considerations that must be carefully navigated by organizations and policymakers (Cao, 2022). One of the primary challenges is the technical complexity involved in developing and deploying AI-driven financial systems. Building robust AI algorithms requires expertise in machine learning, data science, and software engineering, as well as access to high-quality data and computing resources (Cao, 2022). Many financial institutions may lack the necessary technical capabilities or resources to develop and maintain AI systems in-house, leading to reliance on third-party vendors or service providers.

Furthermore, ensuring the accuracy, reliability, and interpretability of AI algorithms poses significant challenges in the context of financial decision-making (Cao, 2022). AI models

trained on historical data may inadvertently learn and perpetuate biases or patterns present in the data, leading to unfair or discriminatory outcomes. Moreover, the opaque nature of many AI algorithms, particularly deep learning models, can make it difficult to understand how decisions are made, raising concerns about transparency and accountability. Data privacy and security are also major considerations in AI-driven finance (Cao, 2022). Financial institutions collect vast amounts of sensitive personal and financial data from consumers to train AI models and make decisions. Ensuring the privacy and security of this data is essential to protect individuals' rights and prevent unauthorized access, misuse, or breaches that could harm individuals' financial well-being.

Regulatory and compliance requirements present another layer of complexity in the implementation of AI in finance (Cao, 2022). Financial institutions operating in highly regulated environments must navigate a complex web of regulations and guidelines governing data privacy, consumer protection, anti-money laundering, and other areas. Ensuring compliance with these regulations while harnessing the benefits of AI technologies requires careful planning, oversight, and coordination across different departments and stakeholders. Moreover, ethical considerations loom large in the implementation of AI-driven financial systems (Cao, 2022). Ensuring fairness, transparency, and accountability in AI algorithms' design and deployment is essential to build trust among consumers, regulators, and other stakeholders.

Financial institutions must adopt ethical frameworks and best practices to guide their AI strategies and decision-making processes, prioritizing the interests and well-being of all stakeholders. Addressing these implementation challenges and considerations requires a collaborative and multidisciplinary approach involving various stakeholders, including financial institutions, regulators, policymakers, technology vendors, and civil society organizations (Cao, 2022). By working together, stakeholders can develop standards, guidelines, and best practices to promote responsible AI adoption in finance while addressing technical, ethical, regulatory, and societal concerns.

## CONCLUSION AND FUTURE DIRECTIONS

To sum up, incorporation of artificial intelligence (AI) into financial decision-making processes presents unprecedented opportunities for enhancing efficiency, accuracy, and innovation in the financial sector. However, this transformative technology also poses significant ethical, technical, and regulatory challenges that demand careful consideration to ensure responsible and equitable AI adoption (Ashok et al., 2022; Purificato et al., 2023). Throughout this study, we have delved into the ethical implications of AI in finance, scrutinizing key challenges such as algorithmic bias, lack of transparency, data privacy concerns, and societal implications (Ahmad, 2024; Patel, 2024; Zhang et al., 2023). By synthesizing insights from existing literature and frameworks, we have provided a comprehensive overview of the ethical landscape surrounding AI-driven financial decision-making (El Hajj & Hammoud, 2023; Illia et al., 2023).

Furthermore, ongoing research and development efforts are imperative to address emerging ethical challenges and technological advancements in AI-driven finance (Cao, 2022). By fostering a culture of responsible innovation and continuous learning, stakeholders can navigate the evolving landscape of AI ethics and ensure that AI technologies are utilized in ways that uphold the public good and benefit society (Breidbach & Maglio, 2022; Terra et al., 2023). In conclusion, while AI presents unprecedented opportunities for innovation and growth in the financial sector, it also necessitates careful consideration of its ethical, social, and economic implications. By embracing ethical principles, adopting robust governance mechanisms, and fostering collaboration among stakeholders, we can harness the full potential of AI while mitigating its risks and ensuring equitable outcomes for all.

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## **Evaluating the Effects of Search Engine Optimization Techniques on the Efficacy of Digital Marketing**

**Snehil Singh \***

### **ABSTRACT**

Search engine optimization (SEO) is vital for businesses that want to improve online visibility in current scenarios. In a digital era where most consumers use search engines as the starting point to locate products or services, occupying a prominent position in search engine results is crucial. This article examines the nuances of SEO techniques for boosting the effectiveness of digital marketing efforts. In addition, the article delves into how SEO is revolutionizing the digital marketing landscape. In the article, the author reviews the primary goals of SEO, click behavior in search results, the importance of first-page ranking, and mobile search usage. In the article, the author has discussed factors influencing website stay, trust in search results, influences on click decisions for products and services, repercussions of visiting beyond first page results, and the importance of staying updated with SEO trends. The article provides incisive views on how SEOs contribute to digital marketing.

**KEYWORDS:** Search Engine Optimization (SEO), Digital Marketing, Internet, Organic Traffic, Communication

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## **INTRODUCTION**

In the present scenario, the information-rich internet has emerged as the gateway to a competitive edge in the business world via online presence and visibility. On the front lines of this digital space, we encounter search engine optimization (SEO), the most essential tool for digital marketers. SEO involves optimizing websites to enhance user-friendliness and boost search engine rankings, thereby increasing organic traffic and attracting potential customers. The role of SEO in digital marketing is immeasurable, especially in creating a trustworthy and productive online presence for businesses as they journey to achieve long-term growth and dominance.

The rise of digital marketing has transformed the field of marketing. Two major factors, the staggering growth in internet users and the ever-expanding range of online platforms, are responsible for this trend. Businesses are responding to this shift by widely adopting digital marketing, leveraging the internet's power to reach a wider audience and establish innovative connections with customers. As the globe prepares for a digital future, businesses must realign their marketing plans to match consumer behavior. Enterprises should seize this opportunity to employ efficient digital marketing skills, as more people are accessing information, making purchases, and finding entertainment through online platforms, which will benefit them when they connect with their target audience.

To leverage the benefits of SEO, companies must first comprehend what drives their audience into taking action online; what do they like? Which sites do they visit most frequently? How often and where do you see them engage with content, among other things? Once equipped with such knowledge, it becomes easier for one's company to ensure that all digital campaigns are designed around meeting these needs and establishing prospective customers' preferences to attract them towards the brand. Several common strategies are used in Internet advertising, including search engine optimization (SEO), pay-per-click (PPC) advertising, email marketing, social media advertising and content creation or curation to give clients what they want. These methods increase an organization's visibility on search engines like Google, attracting more visitors who may become potential buyers later.

Besides, one can also use paid ads through platforms such as Facebook, where you only pay when someone clicks your ad while sending traffic back to the site, thus creating awareness about offers available but not limited only by organic reach. Nevertheless, it is worth mentioning that there isn't any universal rule when it comes to digital marketing; what works best for another business may not necessarily work well with yours too, hence the need for continuous analysis coupled with adjustment of various elements employed during this process; otherwise, such initiatives won't be productive enough in terms of reaching out and engaging with customers. Because SEO is a significant aspect of digital marketing, this research paper sheds some light on its wide-ranging significance and implications. This research aims to highlight the interrelationship of SEO and digital marketing. This study aims to illustrate the mechanisms through which SEO pushes up an online presence to spread traffic, facilitating high income for companies operating on the digital scale. This research paper aims to identify current trends, best practices, and emergent opportunities to offer relevant insights into the dynamic nature of SEO with respect to digital marketing.

The paper also recognizes the change in consumer attitude patterns in which mobile devices override traditional online communication. The significance of mobile-friendliness in SEO arises as smartphone ownership increases and is a significant internet source through browsing and information searching. Therefore, this study will focus on adapting SEO techniques to consumers' needs and preferences using mobile platforms and will care for the adequate balance between various digital channels. This paper draws a picture of SEO as broadly understood in digital marketing. The study delves into the complexities of SEO implementation, its effect on online discoverability, and how it interplays with digital marketing channels, among others, to proffer helpful and practical recommendations for businesses in the continually evolving digital sphere.

### **INSIGHTS FROM EXTANT LITERATURE ON SEO AND DIGITAL MARKETING**

Search engines are complex information sorters. They use web crawlers to scan hundreds of billions of pages of content to sort that content and index it into useful results pages. Search engines are the biggest source of access to information on the Internet, and their importance is increasing daily (Egri and Bayrak, 2014).

SEO is a well-structured process of augmenting the number of visitors to a particular website by listing it on the first page of the online search on Google, Bing, Yahoo, etc. There are three types of SEO, viz. On-page SEO, Off-page SEO, and Technical SEO. The success of On-page SEO depends on how efficiently keyword research has been done and leveraged. Companies can use a combination of transactions, informational and navigational keywords to ensure their contents are visible to the target audience on any search engine. Likewise, Off-page SEO can be attained through comments, forums, guest posts, etc. Social bookmarking is another tool used for Off-page SEO. Technical SEO looks at the loose ends in website architecture and plugs the loopholes.



**Figure 1: Impact of SEO in Digital Marketing**

SEO augments the effectiveness of digital marketing through cost-efficient marketing strategies, credibility and trust, adaptation to changing algorithms, improved user experience, enhanced online visibility, quality traffic generation, mobile optimization, and data-driven decision-making. Garg (2017) rightly observed: "SEO is an integral part of digital marketing. It is responsible to take your website visibility to a higher position and keep you up above all your competitors. It increases website visibility, user traffic, conversion rate, and ROI. A good ranking site is more exposed to users as compared to others. It is based on logic by Google, which uses the rank of the website". Great content on the website must be at the top of search engine research pages (SERPS) to gain traction with the users/target audience

(Terrance et al., 2017). According to Iskandar and Komara (2018), there is no substitute for vigorous SEO strategies for branding.

## **METHODOLOGY**

The study is based on semi-structured, in-depth interviews with eleven experts in SEO and digital marketing. Relevant extant literature has also been examined to build a holistic perspective on the research theme.

## **FINDINGS AND DISCUSSIONS**

### **Understanding of SEO**

Most of the experts involved in the study asserted that they possessed a reasonable comprehension of SEO. The essence of digital marketing revolves around SEO's crucial role in enhancing a website's ranking on a search engine results page (SERP). SEO empowers businesses to optimize their online presence, ensuring that their content appears prominently when users search for information or goods relevant to their brand.

### **Primary Goal of SEO**

Most experts in the field emphasize 'traffic building, ' which they regard as the primary objective of SEO in digital marketing. This comprehension forms the foundation for the primary purpose of organic search, which is to draw customers to websites that interest them. By strategically optimizing elements such as keywords, content quality, and website layout, businesses may attract more people to their websites. As a result, this can enhance brand awareness and engagement, potentially leading to more conversions.

### **Click Behavior on Search Results**

According to the experts who participated in the study, the users typically prioritize the top few search results, which solidifies the importance of ranking well on search engine results pages (SERPs). Having the highest ranking in search engine results is advantageous in digital marketing as it increases the likelihood of being discovered by consumers and generates clicks and organic traffic. The given practice highlights the imperative of employing suitable SEO strategies to enhance the exposure of an advertisement on search engines and elevate its click-through rates.

### **Importance of First Page Ranking**

Being present on the first page of Google search is a competitive factor in digital marketing. The experts unanimously observed that a high SERP is necessary for the success of digital marketing. Research findings have repeatedly demonstrated that most views occur on the first page of search results. To obtain high exposure and organic traffic, businesses should strive to secure the top positions on search engines.

### **Expectations from Search Results**

The experts maintained that different users have varied expectations when they click on search engine results depending on their needs and expectations. Some individuals may seek specific indicators that correspond with their inquiry response, while others anticipate obtaining general insights regarding the issue. The foundation of digital marketing and SEO is the understanding of user intent, which enables the development of content that aligns with the preferences and needs of users, thereby generating high levels of engagement and satisfaction.

### **Mobile Search Usage**

The necessity of incorporating mobile optimization into any digital marketing campaign is further substantiated by the growing prevalence of mobile phones as the primary device for web access. According to the participating experts, the companies should ensure that their websites are mobile-friendly and flexible enough to ensure that the perusing experience is consistent across various screen sizes, as an increasing number of users have transitioned to the internet via mobile devices. Neglecting mobile optimization may lead to a decrease in visitor traffic and may also harm the effectiveness of an individual's digital marketing initiatives.

### **Factors Influencing Website Stay**

According to experts, users are likely to stay on a particular website due to the relevance and quality of the content, which is in sync with search queries. Consequently, this demonstrates the unmistakable impact of content quality and relevance on the retention of website visitors. In digital marketing, the presentation of high-quality and valuable content increases user

engagement on the website and the trust and credibility of the brand among consumers. This, in turn, promotes customer loyalty and conversions.

### **Trust in Search Results**

According to the experts involved in the present study, users are likely to trust search results if the indexing is relevant and objective; the necessity of citation and authority as critical elements of SEO is underscored by the conjectures regarding trust grants to sites that appear at the summit of search results. Top-ranked websites and search results displayed first in the search results are perceived as more trustworthy. Even so, users may also consider the website's user experience, content quality, and brand reputation when selecting search results. Mastering the elements of SEO is essential for trust-building in digital marketing, as it is not solely focused on search engine rankings.

### **Influences on Click Decision for Products/ Services**

The multidimensional nature of consumer behaviour in the digital ecosystem is underscored by the numerous factors that determine when consumers click on the search results. Although the brand and persuasive content that captivates the user's attention, such as a description, is crucial, the user will only peruse your website if it is on the first page of search engine results. Businesses can enhance their search engine rankings, expand their advertisement topics, and optimize their meta descriptions to achieve the desired click-through rate and attract sufficient customers.

### **Visiting Beyond First Page Results**

The value of an insightful SEO on the site is underscored by the contradictory concept of sites abandoned after the first page of search results. Although it is fundamental for businesses to surpass their competitors in search engine results pages (SERPs), they should recognize the significance of being positioned on the second and subsequent pages. To achieve a higher level of visibility beyond the first page, optimizing for long-tail keywords, enhancing content relevance, and enhancing the user experience is necessary. This will increase organic traffic and inquiries.



### **Importance of Staying Updated with SEO Trends**

The digital marketing industry, as well as search engines and the algorithms they employ, are subject to rapid change, according to the experts involved in the present study. This is evidenced by the widespread consensus that it is imperative to remain vigilant for emerging SEO trends. Firms must consistently develop search engine optimization-based policies that align with the evolving search engine algorithms, business trends, and consumer demands to remain competitive and generate long-term revenue. By being aware of the SEO market trends, businesses can capitalize on the high potential and avoid the errors that may arise in the future.

### **Perception of the Relationship Between SEO and Digital Marketing**

Although the landing page is essential for SEO, digital marketing, and visibility on Google, it points out the need for a comprehensive approach to achieving online success. SEO is necessary for establishing all digital marketing strategies, as it controls the extent to which a webpage can be highly ranked, the volume of traffic a site receives, and the number of conversions an online business generates. Modern digital campaigns will be supported by SEO strategies, enabling enterprises to expand their online presence, attract qualified visitors, and achieve their marketing objectives.

### **Contribution of SEO to Digital Marketing Effectiveness**

The substantial contribution of SEO to the efficacy of online campaigns suggests that it plays an essential role in developing organic traffic and enhancing a proper online presence. Furthermore, SEO reduces advertising expenditures by improving the website's visibility and attracting more qualified potential consumers. Subsequently, SEO facilitates the organization's sustainable expansion. Businesses that aspire to enhance their digital marketing performance, generate exposure to their target audience, and achieve higher search engine rankings can allocate resources to SEO initiatives.

### **CONCLUSION**

Search Engine Optimization (SEO) is a central element in the digital environment for companies that prioritize their presence online and aim to outperform the competition. This study has unveiled SEO's complex importance in the digital marketing world, implying its

cutting-edge impact on organic website visitors, higher brand visibility, and, eventually, business achievement.

The report reveals that SEO is not just a technical concept of digital marketing but one of the critical pillars of success of any company striving to survive and grow in the fast-paced and fierce online market. More than 70% of consumers now turn to search engines first to discover and shop for products and services, and for that reason, making it to the number one spot on search engine results pages (i.e., SERPs) is now of utmost importance for businesses aiming to convert new customers and retain an existing one.

SEO that is done the right way presents a long-term business growth objective with well-grounded research on survey data and literature review. The transition from user habit analysis to optimizing content for mobile platforms is part of adaptive SEO strategies, which must always keep up with customers' changing behavior and new tech innovation. In addition, ethical SEO principles are essential to a business's reputation building, as they serve as the foundation upon which users and search engines trust the business's content. By focusing on quality content creation, relevancy, and user experience, businesses can successfully pass the test of time, build trust among their target audience, and become noticeable digital brands.

To sum up, this research underlines the irreplaceable role of SEO in contemporary digital marketing methods and its direct outcomes on businesses. The main aim of SEO is to increase the number of people searching for products or services that the business provides online, and this can be achieved by improving knowledge and application of effective SEO strategies. These strategies can significantly improve the business's exposure to the online market, resulting in increased customers and, in the end, more revenue and growth for the company. As the digital sphere grows and becomes more sophisticated, the relevance and, hence, the significance of trends and the best practices in SEO will be even more critical to the success of businesses looking to stay ahead and be considered successful in the realm of the digital age.

In addition, the study emphasizes that SEO is a dynamic area, hence the need to monitor it

all the time and be ready to adapt since the digital world keeps developing at a fast pace. Being SEO-focused is not enough as search engine algorithms keep changing and consumer behaviours are going through another reformation; organizations must remain agile and responsive, keeping up with their SEO strategies to ensure their relevance and competitiveness.

Also, the study reiterates the significance of user orientation in constructing SEO strategies. Through comprehension and consideration of the customer's personality, preferences, and intentions, enterprises can provide content that influences the customer personally and propels a high level of engagement. Furthermore, the consumer-oriented approach increases the success of SEO efforts and strengthens the relationships customers build, resulting in customer loyalty and recommendations.

The ethical questions in SEO approaches are critical for all the stakeholders. By observing ethical principles and proper criteria, organizations can create a transparent relationship with consumers and search engines, which, in the long run, will give them a trust base and opportunities to continue attracting users. Continuous dedication to SEO, an implicit imperative, attention to the development of trends, and centring user-oriented strategies and ethical practices in the presented arenas will aid the business in enjoying long-term success in the dynamic digital sphere.

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## **Synergizing Women's Health and Microfinance Programs through Self-Help Groups for Empowering Communities in India**

**Astha Vyas**\*

### **ABSTRACT**

Microfinance has evolved as a poverty alleviation tool, yet without addressing health, it will only have a limited impact, as poor health can contribute to increased poverty. This research examines a different approach to integrating initiatives that concern women's health with microfinance programs through Self-Help Groups (SHGs) in India. It is based on a case study method where various case models integrating microfinance and health interventions are studied. In this regard, this article analyzes various cases from several states in India with a focus on the use of SHGs as an effective platform for delivering health education, services, and financial products designed to meet the specific needs of women. The research shows that SHGs are crucial for enabling their members' access to credit facilities, income-generating opportunities, and primary health care, which are necessary for fostering an environment suitable for empowering women and developing community structures. Thus, this study concludes that when applied together, such initiatives promote better health indices and augment female economic activities and decision-making ability.

**KEYWORDS:** Microfinance; Self-help groups; Health; women

### **INTRODUCTION**

Microfinance has evolved as a development tool to reduce poverty. Poverty alleviation

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without addressing health will only have a limited impact, as poor health can contribute to increased poverty (Wagstaff & Claeson, 2004). Microfinance self-help groups, where women gather in formal groups to repay their loans and save regularly, foster solidarity and social capital among self-help group women (Dunford, 2001; Vyas & Bahl, 2023). Meetings and training promote financial discipline and transactional record-keeping. These SHG networks can improve health outcomes by promoting financial discipline and social capital. Combining health and microfinance programs can improve social and financial security for the poor. Routine credit group sessions effectively communicate health messages and information. Health interventions that are combined include newborn care, awareness about public health programs, health insurance, and social visits for family planning products and services.

Women are primary advocates for the education and health of their children, and microfinance self-help groups offer them financial resources to improve their livelihood and provide a range of integrated health services. Globally, mounting data indicates that microfinance programs have resulted in non-financial benefits such as improved health, hygiene, and sanitation. The Indian government has committed to SDG 3, which aims to promote healthy living and universal health coverage (UHC), eliminating inequality (SDG 10). Improving healthcare access and lowering out-of-pocket spending is critical for India's marginalized people to meet the SDGs. State-sponsored health insurance programs have provided some assistance but do not address the underlying social exclusion in the healthcare system. Allocating benefits to vulnerable and resource-poor communities like city slum dwellers, informal women workers, migrants, and employees of specific industries such as the clothing industry, quarry, salt pan, and tea estate is a significant challenge in realizing universal health coverage. This kind of expansion is called "product distribution" in the context of financial inclusion, referred to as "enlarging enrollment" in public insurance.

According to the NSSO 2017-18 study (75th Round), around 65% of the population resides in rural areas. More than 14% seek healthcare treatment every month, according to this survey. On average, there are roughly 10 childbirth-related hospitalizations a month, with about 2-3 happening in private hospitals. In rural India, private hospital deliveries are expensive for most families who do not possess health insurance policies and, therefore, have to pay for these expenses directly from their pockets. Rural villagers prefer going to private hospitals when it

becomes severe or for cesarean cases or other interventions because they need "instant cash" outlays. Every panchayat experiences an additional case per month of loans meant for maternity support (Sadhan, 2023).

Low-income families can utilize financial inclusion for better healthcare and lower out-of-pocket expenses. Financial solutions will enable poor women to overcome financial difficulties related to healthcare access and utilization, reducing their economic burden. When treatment is made affordable, poor women are more likely to use it during times of crisis to improve their health status. For universal health coverage, poor people must be able to access both financial and healthcare services. Innovative strategies with private and public sector resources can now link financial inclusion and health goals. Previous studies focused on micro-finance-based SHGs' social and economic effects, while a few others looked at how existing national and state government structures for SHGs could be built upon even in the future. This study examines outcomes concerning the health of Indian SHG women participating in an MF institution with interventions on health, nutrition, sanitation, etc., hence trying to bridge gaps in the existing research.

## **LITERATURE REVIEW**

Addressing vulnerabilities in health indicators listed in the Sustainable Development Goals is crucial for public health investment to impact population outcomes positively. Balarajan, Selvaraj, and Subramanian (2011) argue that social determinants of health significantly address health inequities, which stem from various social, economic, and political factors. Microfinance programs and organizations for women's groups provide access to money and address inequities in power, reputation, income, and wealth across socioeconomic situations.

In India, significant regional disparities explain why many northern states have generally reported low development and maternal health statistics. Uttar Pradesh (UP) has the highest maternal mortality rate in India, which can be ascribed to the state's population of 200 million (Ahmad et al., 2021). According to Keats et al. (2021), microfinance SHGs provide an effective platform to generate awareness about antenatal care (ANC) coverage. SHG members communicate awareness messages by self-generated community mobilization and behavior change communication (BCC). Various types of research explained how community-based

interventions impacted maternal and child health through SHGs. Among these researchers, Manandhar et al. (2004) did the Makwanpur trial in Nepal in which they used a participatory learning cycle in Self-help group women, which after 3 years resulted in a 30% reduction in neonatal death and an 88% reduction in maternal mortality rate.

Health education during microfinance group sessions can enhance understanding and promote favorable health behaviors (Leatherman & Dunford, 2010). Microfinance institutions' health activities improve undernutrition and diarrhoea, leading to fewer illnesses and deaths in underdeveloped countries (Marcus et al., 1999; Johnson & Rogaly, 1997). Kim et al. (2007) conducted a randomized control trial in South Africa that found that microfinance-based interventions can reduce intimate partner violence. According to Hadi (2001), BRAC credit beneficiaries in Bangladesh prioritize health promotion activities to maintain eligibility for credit, free education, and subsidized healthcare for their families. Hence, primary care for children (diarrhoea, breastfeeding), TB, and sexually transmitted infections, domestic abuse, reproductive health, HIV prevention were addressed, and conditions were improved by integrating health education with microfinance.

## **RESEARCH METHODOLOGY**

### **Research Objectives**

The study tries to address the following research objectives:

- To study effective case models that integrate women's health programs into microfinance Self-Help Groups (SHGs) in India.
- To understand the integration impact of women's health initiatives within microfinance SHGs, which contribute to sustainable community development outcomes.
- To help policymakers incorporate effective model cases at the central level to benefit marginalized women.

### **Research Design**

This descriptive, secondary data-based research examines the impact of microfinance SHGs on health coverage in India. It is based on a case study method where various cases integrating microfinance and health interventions are studied. Data on health plans, reports, articles, and policy documents connected with microfinance SHGs were provided and analyzed.

Data was sourced from government agencies such as NABARD, Sa-Dhan, journal papers, and various state and centre-level microfinance organizations. Documents were collected and organized in a structured manner. The qualitative content analysis method was used to analyze the case models.

### **Data Collection**

Integrated microfinance and health programs conducted nationwide were reviewed, and effective case models adopted by various agencies were collected. These case models were collected based on the number of microfinance-SHGs it serves, the health impact on women, and self-help group promoting institutions (SHPIs). A comprehensive review of the following case models implemented across different levels of governance, including NGOs and both central and state levels, was undertaken-

- The Integrated Microfinance and Health Literacy (IMPHAL)
- Various Arogyashree Schemes by state governments
- Health Diaries
- National Insurance VimoSEWA Cooperative Ltd.
- Sampoorna Suraksha Health Insurance by SKDRDP
- The DHAN Foundation
- 'Healthy Baby Wealthy Nation' (HBWN)
- Grameen Koota – SAS-PAP Healthcare Partnership Model
- MFIs involved in Micro Insurance General Health

### **DATA ANALYSIS**

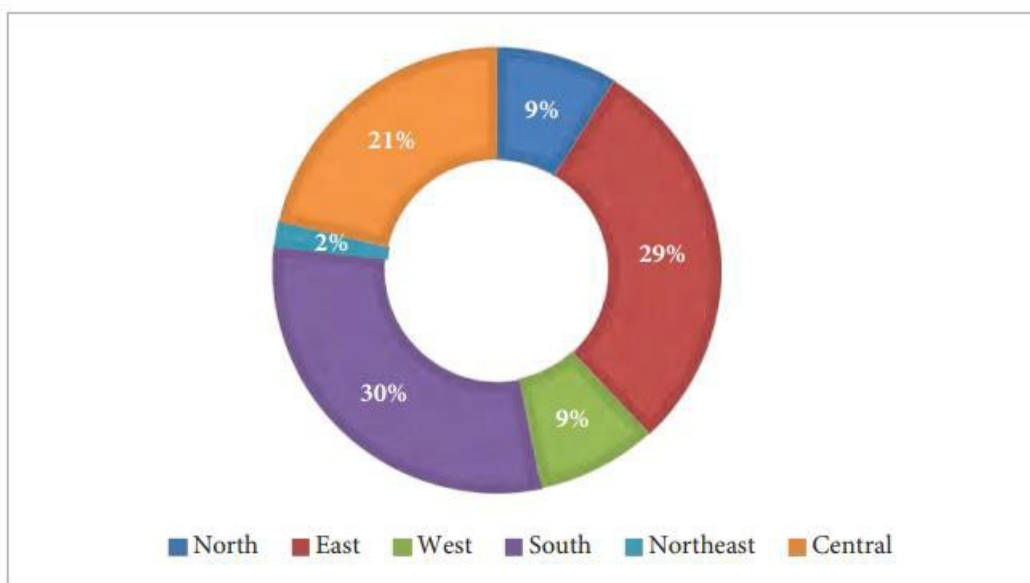
India's microfinance institutions are increasingly conducting integrated microfinance and health programs nationwide. Such case models are reviewed and analyzed qualitatively. SEWA, SKDRDP, Equitas, Bandhan, and CASHPOR were early adopters. State government agencies like MAVIM in Maharashtra offer integrated health and microfinance schemes, while SHPIs like ADS in West Bengal use SHGs to promote health. Microfinance institutions are spread all over India and have substantial client outreach that helps women's health coverage.



**Geographical spread of microfinance institution’s client outreach:**

The Southern region accounts for 30% of the overall active customer base (532 lakhs), followed by the Eastern region (29%), Central region (21%), and Northern and Western regions (9% each). The North Eastern area has the lowest client outreach at 2%. Outreach has increased from 28% to 29% in the Eastern region and 19% to 21% in the Central region. However, it has decreased in the Southern and North Eastern regions, from 32% to 30% and 3% to 2%, respectively. The shares of Western and Northern regions remain steady at 9% each.

**Figure 1: Regional break up of Client Outreach as of March 2023**



[Source: Bharat Microfinance Report, 2023]

Improving maternal health is a worldwide public health concern. Despite decades of improvements in mother health, almost 295,000 maternal fatalities occur each year. While India has prioritized institutional birth through conditional cash transfer schemes, there are significant disparities in the early detection and treatment of maternal complications between rural and urban populations, particularly during the antenatal and postnatal periods, which disproportionately affect poor families with low literacy. The health system's shortcomings are exacerbated by community-related delays in seeking care and accessing health facilities due to financial constraints and a lack of awareness about pregnancy complications and complication preparation. Many health and microfinance programs conducted by central and state governments of India and NGOs try to reduce this gap. Some of the crucial case models are discussed below.

### **The Integrated Microfinance and Health Literacy (IMPHAL)**

A unique, quickly expandable community project that combines maternal health literacy dispensation through microfinance-oriented women-only self-help groups (SHG) has been recently introduced in Uttar Pradesh, the most populous state of India. The project targets poor women in low-income rural households of underdeveloped regions. This study investigates how participation in IMFHL affects critical maternal health indicators.

The Integrated Microfinance and Health Literacy (IMPHAL) program is a multi-faceted approach to improving the health and economic status of individuals and communities living in remote areas. It merges microfinance services such as micro-credit and savings with health education programs and literacy to enable people to make better decisions about their health and finances.

### **Arogyashree Schemes**

State governments, including Vajpayee Arogyashri in Karnataka, Rajiv Aarogyasri, Kalaingar in Tamil Nadu in Andhra Pradesh, and Mukhyamantri Amrutum Yojana in Gujarat implemented social health programs for marginalized people. These schemes provide cashless tertiary care for those living below the poverty line. (NABARD,2018). The project aims to reach 7.8 million families (5 members per family) in urban and rural areas below the poverty line. Members utilize their below-poverty-line card, given by the Department of Food and Civil Supplies, for identification. Vajpayee Arogyashree cares for cardiovascular, neurological, and renal disorders, cancer (surgery, chemotherapy, and radiology), burns, polytrauma, and neonatal patients.

### **Health Diaries**

The Grameen Foundation launched a research project in Jharkhand and West Bengal to determine how much money women spent on pregnancy-related healthcare. In 2017, 45 low-income women from Aikyatan Development Society (ADS) and Bandhan Konnagar were interviewed every 3-4 weeks using a series of 'Health Diaries' to document 'health events' such as accidents or illness. The Grameen Foundation invited pregnant women, mothers with young children, and mothers-in-law of expectant mothers to participate. The health diary investigation yielded significant findings: How do these households handle healthcare costs?

Low-income households may need help understanding how to enroll in insurance plans for which they are eligible. Despite government efforts to minimize these costs, low-income households face potentially catastrophic out-of-pocket healthcare expenses. Most families need care from 'quacks', followed by the public health sector. However, for severe ailments, families choose medical practitioners, followed by quacks. Financial products designed to assist women in planning for and managing healthcare costs should be customized to their perceived urgency. Many people choose to use their savings at home, citing the convenience of having easy access to funds when necessary.

#### **National Insurance VimoSEWA Cooperative Ltd.**

It was formed in 2009 by a group of individuals under the name VimoSEWA Cooperative Ltd as per the provisions of the Multi-State Cooperative Act by the Government of India. Among them are Bihar, Delhi, Gujarat, Madhya Pradesh, and Rajasthan, which have 12,000 women shareholders. Thirteen institution members belong to Vimo SEWA, including but not limited to (SEWA Bank, SEWA Bihar, and SEWA Cooperative Federation). These collective institutions represent one hundred six women cooperatives. In 1992, Ahmedabad set up a scheme to offer financial security to borrowers with SEWA Bank, which has since expanded over time until currently, it covers all the members of SEWA against various risks such as illness accidents or destruction of property due to natural calamities. It was coordinated by community leaders and women laborers, who enabled the realization of the VimoSEWA volunteers' micro-insurance plan. Women workers, as well as insurance professionals, sit on this board after being elected democratically.

#### **Sampoorna Suraksha Health Insurance by SKDRDP**

In 2004, Sampoorna Suraksha Health Insurance (SSHI) was established by SKDRDP, a charitable trust located in Dakshina Kannada district in Karnataka. Previously, SKDRDP provided a limited welfare fund with an annual ceiling sum of Rs.5,000 for health benefits only. However, SHG members making up the bottom quintile demanded more comprehensive coverage. The SSHI covers hospitalization, accident treatment, and pregnancy for its rural Karnataka state membership of 926581 persons (265028 families).

### **The DHAN Foundation**

The DHAN Foundation, headquartered in Madurai, Tamil Nadu State, was established in 1997. Its institutions form the DHAN Collective. The organization aims to help underprivileged communities reduce poverty and attain self-sufficiency by developing persons and institutions. The plan intends to help 20-40% of low-income people in rural and urban settings. The viability of the provider insurance model depends on significant social capital and community-run clinics and hospitals. As a result of their insurance experiments, DHAN developed a provider model for community health insurance through community hospitals. Three community hospitals and clinics in Tamil Nadu and Andhra Pradesh, known as SUHAM Hospitals, provide primary and secondary care to insurance members who cannot obtain private hospital coverage. Effective risk management includes money and insurance, risk avoidance, prevention, and mitigation. DHAN creates community health projects to address various health conditions and mitigate risks. It evaluates benefits data to identify health hazards in covered communities.

### **'Healthy Baby Wealthy Nation' (HBWN)**

From February 2015 to January 2018, Bandhan-Konnagar launched the 'Healthy Baby Wealthy Nation' (HBWN) project in 24 village Panchayats with funding from HDFC Life, a life insurance business. HBWN aimed to reduce PEM among under-5 children in six 'backward' areas of West Bengal (Alipurduar et al. 24 Parganas). The project impacted 113,182 families, focusing on pregnant women, nursing mothers, children under the age of five, and those without access to sanitation. Bandhan-Konnagar focused primarily on Gramme Panchayats, where Bandhan Bank's microfinance initiative works.

### **Grameen Koota – SAS-PAP Healthcare Partnership Model**

In 2014, SAS Poorna Arogya Healthcare Pvt. Ltd. (SAS-PAP) and Grameen Koota Services Pvt. Ltd. (Grameen Koota) partnered to offer affordable healthcare services. SAS-PAP, created in 2010, now serves over 650,000 people across 10 MFIs/NGOs in Karnataka and Assam, with a network of over 120 partner hospitals as of March 2016. SAS-PAP relies entirely on membership fees to fund operations. Grameen Koota, launched in 1999, has 1.6 million active borrowers as of April 2017. Client feedback indicates a high demand for excellent medical consultations and cashless inpatient treatments. The Grameen Koota-SAS-PAP

cooperation offers clients access to 45 hospitals in Karnataka. Grameen Koota enrolls consumers at certain branches, collects a membership fee of '250 per year per individual, and provides loan support for those who cannot afford it.

### MFIs involved in Micro Insurance General Health

Microfinance institutions (MFIs) increasingly provide microinsurance products to their consumers, including general health insurance. These products are intended to give low-income populations reasonable, accessible, and relevant insurance coverage typically unavailable in regular insurance markets. Microfinance institutions are collaborating with mainstream insurance companies to achieve this. More than 90 lakhs have been covered under General Insurance Health by 14 MFIs (BMR, 2023).

**Table 1: List of MFIs involved in Micro Insurance General Health**

Sl. No.	Name of the Organization	Legal Form	No. of Clients
1.	IIFL Samasta Finance Ltd.	NBFC-MFI	20,72,298
2.	Magalir Micro Capital Pvt. Ltd.	NBFC-MFI	54,681
3.	Samavesh Finserve Pvt. Ltd.	NBFC-MFI	15,226
4.	Humana Financial Services Pvt. Ltd.	NBFC-MFI	16,848
5.	Keshava Prabha Microfin Pvt Ltd.	NBFC-MFI	4,350
6.	Magenta Finance Services Pvt. Ltd.	NBFC-MFI	1,527
7.	Sarala Development & Microfinance Pvt. Ltd.	NBFC-MFI	40,637
8.	SATYA MicroCapital Ltd.	NBFC-MFI	17,06,056
9.	Shroff Capital and Finance Pvt. Ltd.	NBFC-MFI	286
10.	Sindhuja Microcredit Pvt. Ltd.	NBFC-MFI	70,994
11.	Uttrayan Financial Services Pvt. Ltd.	NBFC-MFI	1,78,643
12.	Ambition Services Pvt. Ltd.	Pvt. Ltd. Company	46,402
13.	Annapurna Mahila Coop Credit Society Ltd.	MACS or Cooperative	4,762
14.	Aparajita Mahila Sangh	Society	481

[Source: Bharat Microfinance Report, 2023]

**FINDINGS AND DISCUSSIONS**

The incorporation of microfinance and health programs via Self-Help Groups (SHGs) in India has tremendously impacted several elements of rural and semi-urban populations. This integration impacts SHG women's health awareness and financial support and concurrently addresses economic empowerment and healthcare access. Table 2 explains the comprehensive health impacts on SHG women using the above case models.

**Table 2: Integration impact of women's health initiatives within Microfinance SHGs**

Sl. No.	Model-cases	Self-help group promoting Institution (SHPI)	Health Impact on SHG Women
1.	The Integrated Microfinance and Health Literacy (IMPHAL)	Uttar Pradesh State Government	Maternal health literacy
2.	Vajpayee Arogyashree Scheme	Karnataka State Government	Care for cardiovascular, neurological, and renal disorders, cancer (surgery, chemotherapy, and radiology), burns, polytrauma, and neonatal patients.
3.	Rajiv Aarogyashree scheme	Andhra Pradesh State Government	
4.	Kalaingar Aarogyashree scheme	Tamil Nadu State Government	
5.	Mukhyamantri Amrutum Yojana	Gujrat State government	
6.	Health Diaries	The Grameen Foundation in West Bengal and Jharkhand	Pregnancy-related healthcare
7.	National Insurance VimoSEWA Cooperative Ltd.	VimoSEWA Cooperative Ltd. (Multi-State Cooperative Act, GoI) In Bihar, Delhi, Gujarat, Madhya Pradesh, and Rajasthan (12,000	Various risks include illness, accidents, or destruction of property due to natural calamities.

		women shareholders)	
8.	Sampoorna Suraksha Health Insurance	SKDRDP, a charitable trust in Karnataka	Health Insurance covers hospitalization, accident treatment, and pregnancy
9.	The DHAN Foundation	Tamil Nadu State	Health Insurance model in community-run clinics and hospitals.
10.	'Healthy Baby Wealthy Nation' (HBWN)	Bandhan-Konnagar and HDFC-Life	Focus on pregnant women, nursing mothers, and children under the age of five
11.	Grameen Koota – SAS-PAP Healthcare Partnership Model	Grameen Koota Services Pvt. Ltd. (Grameen Koota) and SAS Poorna Arogya Healthcare Pvt. Ltd. (SAS- PAP) formed a partnership in Karnataka and Assam	Medical consultations and cashless inpatient treatments
12.	MFIs involved in Micro Insurance General Health	14 Micro-finance Institutions	Micro Insurance General Health

The overall impact of microfinance and health coverage by self-help groups is discussed below.

Increased Savings and Credit Access: SHGs enable members to save money and obtain credit at cheaper interest rates than traditional banks or informal lenders. This financial inclusion has enabled many people, particularly women, to engage in entrepreneurial activities, increase household income, and improve their living standards. Entrepreneurship and skill development: Many programs provide training and financial assistance. This has resulted in the establishment of small enterprises and encouraged group members to pursue self-employment opportunities. However, it is not enough to provide loans; members must also

have the expertise to employ those loans appropriately.

Increased health awareness and Health outcomes: Health education regarding nutrition, family planning, sickness prevention, and sanitation are commonly discussed in SHG meetings. SHG members, through such discussions, can make informed health decisions, leading to improved health outcomes. Access to preventive care, maternal and child health services, health education, and immunization have increased due to integrated microfinance and health programs and schemes. SHG members actively participate in health camps and workshops and get information, testing, and treatment options, which in turn help them curb diseases like malaria, tuberculosis, and HIV in rural areas.

Socioeconomic development: Women who make themselves and their families physically and financially healthy boost their confidence and are more empowered than others. Financially independent women have more decision-making power in their families and are, hence, less vulnerable to abuse. Hence, improved health outcomes and financial stability make society more resilient in coping with health and economic emergencies. Hence, SHGs address the vulnerability of marginalized women and help them to alleviate poverty by making them financially independent.

In summary, the inclusion of women's health programs in microfinance self-help groups (SHGs) in India not only enhances women's physical and social health but also fosters more sustainable community development by tackling social and economic inequalities, advancing gender parity, and strengthening community resilience.

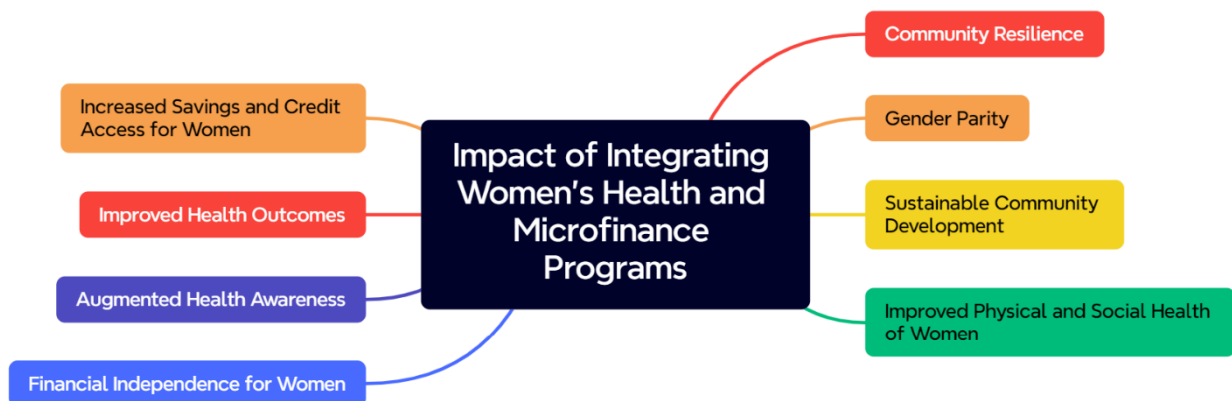


Figure 1: Impact of Integrating Women's Health and Microfinance Programs



## **POLICY IMPLICATIONS & FUTURE RESEARCH**

Regardless of the hurdles faced, there is a need for cooperation among policymakers, researchers, donors, and social investors' practitioners so that microfinance can be integrated with health services. Generally, the aim is to support the scaling up of program development approaches and operational processes, such as demonstration/dissemination on a larger scale. Monitoring and evaluation methods should be constructed to gather data on the effectiveness of this integrated strategy for incentivizing MFIs, SHGs, and healthcare providers who wish to invest in program design and implementation. This would also promote more innovative healthcare financing models by addressing the increasing menace of non-communicable diseases. This will require grant-making facilities, social capital, government subcontracts, etc., which are essential forms of financial assistance necessary for bringing together practitioners to discuss best practices and effect results.

National projects such as the National Rural Livelihood Mission (NRLM) help empower poor women so that they deliver last-mile health and nutrition services while generating income. India could be a global leader in combining microfinance with health solutions to evaluate their effectiveness. The project, funded by international donors in collaboration with national programs for rural health/livelihood generation, could significantly improve the lives of India's poor and offer valuable lessons for global health and development communities.

Local and state administrations, including village Panchayats, Health Departments, and ICDS, should collaborate with health-promoting MFIs and SHPIs. Such partnerships enhance clients' access to frontline service providers and marketing campaigns aimed at vulnerable populations, thereby benefiting both government and clients alike.

Prices should be further investigated regarding cost (e.g., value-for-money), benefits (i.e., positive externalities), or economic viability. This would help to determine this impact on microfinance institutions/self-help promoting institutions/SHG communities' financial performance. These include banks, NBFCs, SHPIs, NGOs, and government departments in India managing microfinance SHGs. Despite some short-term hiccups, the industry has continued to grow at a rapid pace during the past few years. Most of these households are poor and rural, with 100 million currently being served by the MFI sector. Initially focusing on

South India, it now encompasses underprivileged states in North and Eastern India.

The main concern for any microcredit expert is long-term client development. Even though they all engage in health education and health camps through different modalities, MFIs and SHPIs vary in their approaches. Bandhan Bank, Equitas Small Finance Bank, and similar institutions tend to support NGOs in promoting health; however, SHPIs prefer to run health programs through their field staff.

Lastly, integrated microfinance and health projects implemented by Self-Help Groups in India have shown a holistic approach towards development, recognizing that economic wellbeing is intertwined with good health. The achievements of these initiatives highlight the need for community-oriented approaches to sustainable development.

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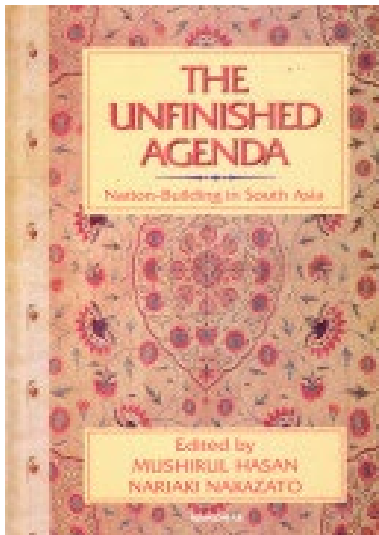
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**Book Review: South Asian Perspectives: The Unfinished Agenda edited  
by Mushirul Hasan & Nariaki Nakazato**

**Radha Menon\***

**ABSTRACT**

This paper reviews an interesting book titled South Asian Perspectives: The Unfinished



Agenda edited by Mushirul Hasan & Nariaki Nakazato. The book provides multidisciplinary perspectives on the emergence of the nations in South Asia. It has developed as a result of an interface between Indian and Japanese scholars at the University of Tokyo. Altogether fifteen academicians and social activists have contributed essays in the book. The articles are closely interlinked thematically and yet each is self-contained. All the essays encourage discussion on wide-ranging themes and their ramifications within the framework

of colonial society and the post- independent India. Partition of India and its impact on the sub-continent appears to be a major concern of the volume as six out of fifteen essays in the book are devoted to this theme alone.

**Keywords:** South Asia, Colonial Society, Emergence of Nations, Hindu-Muslim Relations, India

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South Asian Perspectives: The Unfinished Agenda

Editors: Mushirul Hasan & Nariaki Nakazato

Published by Manohar (New Delhi) (2001) Pages 536

South Asian Perspectives: The Unfinished Agenda edited by Mushirul Hasan & Nariaki Nakazato provides multidisciplinary perspectives on the emergence of the nations in South Asia. It has developed as a result of an interface between Indian and Japanese scholars at the Institute of Oriental Culture, University of Tokyo. Altogether fifteen academicians and social activists have contributed essays to the book. The articles are closely interlinked thematically and yet each is self-contained. All the essays encourage discussion on wide-ranging themes and their ramifications within the framework of colonial society and the post-independent India. Partition of India and its impact on the sub-continent appears to be a major concern of the volume as six out of fifteen essays in the book are devoted to this theme alone. The book evokes scholarly discourse on 'the roots of Partition, riots, refugees, women, memory, literature, the shaping of national economic policies and, more recently, the Dalits' (Roy, 2003). However, a substantial focus of the edited volume is the Hindu-Muslim relations in India.

Noncia Datta, in her essay "Partition Memories: A Daughter's Testimony", has presented an in-depth interview with Subhasini who has herself experienced the scourge of partition-induced violence in south-west Punjab. The interview unravels the most candid story of partition violence and reflects on how gender, martyrdom and community identity were intertwined to become a guiding force in the wake of the formation of Pakistan. The interview has been supplemented by an enlightening discourse on the evolution of Arya Samaj which not only shaped Punjabi Hindu (read *Jats*) mindset but also spearheaded a vindictive campaign against their Muslim brethren out of 'representational fear' and as 'survival strategy' during partition mayhem.

Max Jean Zins in his essay on "The 1947 Vivisection of India" underlines the importance of studying the forms of violence affecting the human beings in their own right as these forms are a witness to duly constructed social realities. He opines that partition violence, far from being a 'medieval barbarism' is indeed a symbol of 'modernity of a new era for the

inhabitants of the subcontinent'. Certainly, this appears to be a new way of treating the subject of partition carnage. Gyanendra Pandey in his essay on "Citizenship and Difference: The Muslim Question in India" discusses how the logic of separation worked against the minorities and other marginal groups after independence.

Mushirul Hasan in his essay "India and Pakistan: Why the Difference?" maintains that 'out of various contradictory tendencies, the Pakistan must find the capacity to create a secularized state and confront the powerful trends towards authoritarianism. If the past is any indication, they have an uphill struggle ahead of them. Yet their case, with all its specifications, will be relevant to other countries trying to cope with daunting external circumstances and beset with internal problems. Takeshi Fuji in his essay on "Mirrors of the Colonial State" provides yet another dimension to the problem of boundaries. Fuji argues that the Assam-Myanmar- Yunnan area is closely related to one-another so much so that it does not fit in well with the framework of the nation-state and suggests that the history of this area should be studied from an angle relatively free from that of nation-state history. Achin Vanaik provides an overview of Indian foreign policy from independence to present day in his essay on "Indian Foreign Policy and Secular Perspectives". He explains both the strengths and weaknesses of non- alignment as the guiding framework of Indian foreign policy from early 1950s till 1980s.

Sekhar Bandopadhyay discusses the question of self-inflicted 'otherness' of dalit identity in his essay on "Mobilising for a Hindu Homeland: Dalits, Hindu Nationalism and Partition in Bengal (1947)". M S S Pandiyan analyses the colonial and post-colonial mode of resisting modernity. Kohei Wakimure and M M Islam in their essays discuss problems of healthcare and agriculture production during the colonial period. The economic aspect of the transfer of power, hitherto a neglected field of study, has been dealt with in an essay on "The Transfer of Economic Power in India" by Nariaki Nakazato.

However, the book is neither a millennium volume nor an exhaustive account of Indian past and present. At best, the concerned scholars have attempted to explore from their very different perspectives, some of the challenges before Indian Republic in its quest for a democratic, secular and egalitarian society. Even the editors of the volume have admitted

that many critical themes remain unexplored in the book, which they hope will be taken up in future.

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