



The Multifaceted Roles of A Manager – Need of the Hour

KEYWORDS

Multifaceted, Manager, Creativity Management, Operations, Development

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1. INTRODUCTION

Creativity was once considered to be associated with art, literature, architecture, entertainment, etc ... and Innovation with science and technology .But in the present scenario creativity and innovation has become a vital necessity for survival not only in the above mentioned fields but in every area of business. Be it a manufacturing industry or a service industry, creative and innovative ideas keep the business in existence.

Innovation in science and technology has already made the life of the people easy and the business profitable. But creativity and innovation in business practices and managerial issues are still a challenge. Especially in the service industry like banking, health care, stock market, other financial services, etc... A manager's role in such industries demand more knowledge, flexibility, spontaneity, creativity to sustain in the industry, to retain its customers, to achieve the management goal, to increase productivity through people, to compete with potential competitors and to take the business to new heights.

In a stock broking firm, where the risk management is to be given top priority, a manager's role becomes extremely difficult to find a proper blend of sales, servicing and risk management. The need for creative and innovative strategies to retain the customers and to acquire new ones without compromising compliance and risk management is inevitable. Strategies to be adopted are different for different category of customers, different products, different locations, different situations, different market conditions and so on.

2. OBJECTIVES OF THE STUDY

The following are the objectives of the study:

- i. To delineate a manager's role in the stock broking industry
- ii. To assess the priorities of the manager from different aspects
- iii. To analyze the need for creativity in framing strategies and decision making at different situations from different perspectives

3. RESEARCH Methodology

The research was done by conducting informal interviews with 50 branch managers of different broking firms in the cities of Chennai and Coimbatore. The secondary data are collected from the journals and websites of some of the broking firms.

4. LIMITATIONS OF THE STUDY

The research was done only with the branch managers and only in the cities of Chennai and Coimbatore.

5. MULTI-FACETED ROLES OF A BRANCH MANAGER IN A STOCK BROKING FIRM

The branch manager of a stock broking firm plays many different roles and is the sole responsibility of the branch. Some of the functions performed by a manager which was identi-

fied through the primary study are as follows:

Business Development
 Recruitment and training
 Operations management
 Risk management
 Compliance management
 Customer relationship management
 Grievance redressal management

These functions are performed through various activities like recruitment of a team, Proper risk management to reduce losses, Increase the efficiency of operations management, Understanding the market and suggesting right stocks to the customers, Maintain sales MIS, etc.

Delineation of the roles played by a branch manager in a stock broking industry

5.1. Activities performed by a branch manager for business development

Identifying potential customers
 Acquisition of new clients (Retail, HNI, and Corporate)
 Client profiling based on the investment, risk taking capacity, age, etc...
 Maintain relationships with existing clients
 Sale of equity, commodity and currency products
 Cross selling of other financial products

5.2. Activities performed by a branch manager in recruitment and training

Identification and recruitment of potential human resource for sales, operations and risk management
 Organizing training programs for the trainees at branch level
 Conducting regular sales meetings and branch meetings
 Collect sales MIS from the sales executives on a daily basis
 Motivating and encouraging the team members by providing performance based rewards.

5.3. Activities performed by a branch manager in Operations management

Ensure quick process of the applications for account opening
 Oversee proper recording and processing of daily transactions of existing customers

Ensure settlement of cash and share transactions done on a day to day basis

Monitor timely cheque collections and deposits

5.4. Activities performed by a branch manager in Risk management

Oversee all the customers' holdings in equity and/or commodity and/or currency market with the firm
 Ensure that timely payment are made by the customers
 Monitor the market continuously to take necessary steps at crucial times
 Monitor the exposure provided to customers especially in

taking/ holding derivative positions

5.5. Activities performed by a branch manager in Compliance management

Ensure that all the retail, HNI and corporate accounts are opened as per the regulations of Securities Exchange Board of India (SEBI).

Ensure that all the money for the transactions is routed through banks regulated by RBI.

Ensure that all the share transactions are done as per the regulations of SEBI

5.6. Activities performed by a branch manager in Customer relationship & Grievance redressal management

Build rapport with the customers

Provide basic training on share market and share trading for new customers

Understand the market and suggests right stocks to the customers

Organize meetings with analysts and market experts to make the customer understand the market conditions and clarify their doubts.

Provide timely services for placing orders and update market regularly

Address customer queries in a timely manner

Redress customers' grievances and solve issues at the earliest.

6. STRATEGIES AND DECISION MAKING FROM DIFFERENT PERSPECTIVES

As the manager plays different roles and has to make decisions at every level, he needs to be more careful in making decisions. Decision making while playing one role should not contradict with the other or it should not hinder the duties and responsibilities of the other role.

The manager needs to prioritize his responsibilities to meet (or outperform) the objectives of the company he works for. He needs to retain the clients and acquire new ones for the continuous growth of the company. He also needs an efficient team to achieve the goal.

a. In the perspective of business development

The manager needs to increase the client base by acquiring new customers. To achieve this he needs to provide attractive products (concession in accounting opening fee, reduction in the brokerage level, provide more exposure to take positions), provide quality service (update market every market day, give suggestions on stock holding and new picks), extend holding days, collect cheques from their home, etc...

b. In the perspective of risk management

The manager should not allow the client to hold a position more than a day without payment. Because the value of the stock might go down in line with the poor market condition and if the client defaults to make the payment it is a loss for the firm. So the manager has to tighten the risk management by providing less exposure or by cutting the excess position that the client holds. By doing this one may not be able to retain its customers.

c. In the perspective of team members

The team brings in new business and services them. But because of the compliance and other regulations or because of the tight risk management, the number of new accounts might come down. That is, the sales team may not be able to achieve its target. By providing less brokerage to attract customers, the firm's revenue generation becomes less compared to the service provided to them by the branch.

So, the branch manager needs to develop a framework or adopt creative strategies so that the revenue of the branch would not be affected, the client would be satisfied and retained and the performance of the sales team would not come down without compromising compliance and risk.

7. CREATIVE AND INNOVATIVE STRATEGIES AT ALL LEVELS

The manager, with the help of the technology can provide quality services to the clients at low cost. Nowadays the client need not visit or call the branch to place orders. A client can place his orders by himself through online trading or mobile trading or by providing software to the customer along with a user id and password to view market and place orders. Electronic broking Services (EBS), an automated broking system is yet another concept which could be the future of broking industry to reduce cost and capture potential market.

8. CONCLUSION

Management is an art. There is no stereo typed system for managing all the issues in the same manner. It is the individual managers ability to handle issues, frame strategies and make decisions effectively. The efficiency of a manager is evaluated based on the effectiveness of the outcome of his/her decisions. In today's competitive world a manager has to be spontaneous in making decisions and this can bring out positive outcome within a short span of time only if he is creative and innovative in handling issues and by keeping himself/herself up to date with new technologies and current trends and practices at global level.

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