CHAPTER V

CONCLUSION

5.1 Introduction

India is a developing country and the development of India can be seen in the growth and development of various companies, organizations, industries etc., in the development of technology and in continuous change.

The basis of beliefs, attitude of the people, relevance of values and the structuring of the organizations are actually the main reasons for the growth or decline of any organization. This would decide whether the market will explode or shrink. So in a way, all these things are linked together with each other and decide the development of the organization.

5.2 Organization Development is defined as “A planned effort, organisation-wide, managed from the top, to increase organisation effectiveness and health, through planned interventions in the organisation’s processes using behavioural science knowledge.” By (Beckhard, 1969)

Any organization where the people/employees are ready to accept changes, and when they have an intend to increase their technical knowhow according to the changing world or according to the market does not need to look back. The organizations basic four pillars are Money, Man, Material and Machine.

Out of these, Man is the most important aspect. If the employees of the organization are happy and satisfied, they will give their hundred percent and thus better outputs will be generated and as a result the organization will grow and better profits would be generated.

OD has replaced the importance of machine in the organizations with the human body and health. OD helps in suggesting the efficient and effective methods of organizing the various organizational components. It tells how feedbacks can be taken, employees can be trained and developed, how research can be done for the betterment of the organization.
According to Warren Bennis, 1969, “OD is a response to change, a complex educational strategy intended to change the beliefs, attitudes, values, and structure of organizations so that they can better adapt to new technologies, markets, and challenges, and the dizzying rate of change itself.”

In today’s organization, continuous change is seen. This change results in the need for constant learning and adaptive organizations. The emerging trends in OD are:

1. implementation of knowledge management systems
2. creation of continuous learning culture in the organization
3. designing of flexible organizational structures
4. Facilitation of change in organizations.

The constant change forces companies should be ready for the change management. The organizations should focus on improving the employees’ quality of work so that the best employees are retained. With the changes in technology and globalization, the level of competition is very high. As all the organizations can get required information very easily, the organizations with smart employees who have the ability to capitalize on the such information, gets competitive advantage (Dertouzos, 1998).

The following among them are of crucial importance:

(1) Aligning various organizational dynamics.

(2) Inducing constant learning

(3) For smooth functioning of organizational processes and developmental changes, organizations should have employees with very strong interpersonal skills.
5.3 Organizational Change

According to Michael Porter (1998) the competitive advantage in the organization lies in knowledge, relationships, and motivation. Handy suggests that organizations need to focus on giving comfortable environment to their employees. The employees should be ready for changes and their personal and professional improvement.

According to Drucker, there is a need for organizations to maximize the performance of its employees. This is referred to as mastering the human asset by Dertouzos (1998). The employees should learn to work in team. According to the author, teamwork is very important in any organization. In Japan, teamwork is called “hummanware” and in France, “Toyotism.”

5.4 Organizational Changes

Organizations can change in three ways:

- Organizations can redefine identities and set the boundaries to change types and conditions of their tie ups.
- Organizations can plan the change. They can define the operation method and how people should relate to each other through changes.
- Changes can be brought in the top level and organizations can identify the profits with the parties involved.
5.5 Organizational Objectives and Individual Aspirations:

The starting point of any organization is the setting of the aim or the ultimate goal towards which all the associated resources will work. This goals, vision and mission of a business established by the management are communicated to its employees. The organizational objectives of a company focus on its long term intentions for operation and guidance for the employees.

Any organization should have a value statement and some predefined objectives so that they have a set goal in front of them looking at which they will move ahead. This would be the target for the organization for which all the surrounding will work together in synergy so that this set target is achieved.

5.6 VALUE STATEMENTS

Value statements define the organisation’s principles and ideals. An organisation’s values are specified in the objectives, vision and mission.

How is a Value Statement developed?

1. Values are core concerns of the organizational traditions. Values are required during the long term planning and decision making. They drive the intent and direction for the management for planning.

2. The statement can be developed using methods that are based on analysis, are original and different. It has to be defined by the participants of the team forming organizational values.

3. Few central values should be defined for the organization to operate. These values should consider the values of employees, customers and the organization.

4. The comparison of the organization’s chosen values and actual values should be noted and taken care of.

What is the importance of objectives in the organization?
Many types of organizations use a standard approach to writing objectives. Their intent is to map out the businesses’ goals. For example, many organizations write some version of SMART objectives, also called SMART goals, which are Specific, Measurable, Achievable, Results-focused, realistic and Time bound. A small-business owner might write objectives in his first business plan, and then later adjust them to meet a changing strategy. The final results towards which organization is focused is the objective.

“A managerial objective is the intended goal that prescribes definite scope and suggests direction to the planning efforts of a manager”-Terry and Franklin

The organizations have some guidelines set for defining the objectives. If followed in proper manner, efficient objectives as per the organizational requirements can be set.

5.7 GUIDELINES FOR OBJECTIVE SETTING

Objectives

- Should be specified clearly
- The factors affecting achievement of objectives should be taken care of
- Should be in sync with mission
- Should be logical and real
- Should be set such that they are achievable
- Should be reviewed after every particular defined time
- Hierarchy should be followed
Purpose

Any business needs a purpose, a reason for existence that its workers understand. The business plan targets the delivery of at least one product or service to a specific market. Over time, the company can stay with the first product or service or shift its focus to new products or services. Companies can set goals in many areas. Business Challenge encouraged businesses to set goals for organization and higher productivity, greening the office, bettering the work environment, optimizing the bottom line, and employee development and marketing.

Company Culture

A business owner with a staff should create working conditions that enhance worker performance. A March 2012 survey by the American Psychological Association and Harris Interactive showed that businesses were providing increasing opportunities for workers to "be involved in decision making, problem solving, and goal setting at work." At the business level, writing objectives is a process that requires an owner and employees to set organizational priorities. At the level of employees, writing objectives forces the business to outline more concretely how priorities will be met.

Motivation

Writing objectives does not only help employees get involved in setting the direction for the company. Objectives also help employees feel motivated on an individual level. Some business owners approach managing employee performance from the standpoint of individual performance objectives. Each employee works with the owner or manager to write personal goals that fit the company's central objectives. The APA survey also found that -- from 2011 to 2012 -- there was a 6 percent increase in the employees who felt motivated to perform at their best for their organization. Employees need a reason to perform their specific tasks, not just a global sense of the company's direction.
Budgeting

Smart business owners budget their company’s expenses. They expect some variation in recurring expenses, but overall they try to keep them stable from month to month. Writing business objectives encourages a business owner to predict what level of sales will be achieved in the next month -- such as week-by-week -- which is called forecasting. Then he can make spending decisions, such as how many hours to give each employee in the next work week, based on his weekly sales forecast and the percentage of the budget he typically sets aside for payroll.

5.8 NATURE OF OBJECTIVES

- Every organization should have objectives
- Objectives should be mentioned specifically
- Objectives should be defined clearly
- Objectives should have hierarchy.
- Organisational objectives need to be created within the social norms.
- There can be multiple objectives for an organisation.
- Objectives can be modified as per the organizational needs.

5.9 FUNCTIONS OF OBJECTIVES

Objectives are set in order to
- Structurize the organization
- Define directions for decision making
• define performance standards

• Integrate organization and its resources

5.10 In-house Training Programs

Training and development is the practice of providing training to the employee. This training is given through workshops, coaching, mentoring. With such kind of trainings, the employees are motivated to perform the functions of their position with perfection and within standards set by the organization guidelines.

Training implementation is the tough most part of the SDLC. If the employees are not trained properly, the implementation of the new product for which training is imparted can fail badly. Planning of the training program is termed as training implementation.

Importance Of Training and Development

The training and development program of the organization helps in the following ways:

• Optimizing the utilization of human resource. With this optimization, employees can achieve the defined objectives and personal goals.

• Provide an opportunity to the employees for attaining their personal growth with the development of employees behaviourally and technically.

• Employees grow personally by increase in their knowledge and skills at every level and thus, help to expand the horizons of human intellect.

• Increases the productivity of the employees

• Employees learn working in teams, teams’ man spirit and collaborations.

• Culture and effectiveness of the organization develops using T & D. It helps to develop a knowledge sharing culture in the organization.

• It helps in building awareness and sentiments for the organization.

• A healthy working environment and a good employee relationship is created

• A better corporate image is created and morale of the employee is boosted up.

• It helps to create positive attitudes towards profit orientation.

• The decision making and problem solving capabilities becomes more effective.
Benefits of Training

If a proper training is imparted to the employees of the organization, the organizational performance as well as other direct as well as indirect outcomes will be improved. This helps in the increase of the profit, effectiveness and the productivity of the organization.

There are many interventions which are effective at the benefits of training, like:

- Need assessment for trainees, their readiness and motivation for training is required.

- Organizations should encourage trainees to create the training material. Organizations should make sure trainees put effort in the gaining knowledge. Also force trainees to commit errors and instruct them to learn from them. This would enhance the benefits of training.

- Proper guidance should be given to the trainees.

- Proper documentation of the training should be done.

The procedures of employee T & D in organizations are undeveloped. They are performed occasionally. They are enforced only when some problems occur. The training is viewed as an imposed obligation, not as a method of maximizing their potentials. The organizations still consider employees as an expense, not an asset. Organizations do not have a culture of exchange of knowledge.

Many of the managers think that training is expensive, it is not rewarding and generally it is for the young employees, etc. Ignorance is more expensive than knowledge. The learning possibilities for humans are unlimited. The limits are all in their minds. Studies show that investment in employee knowledge development affects the growth rather than other resources. The training and development process should be in sync with the organizational goals and strategy. It should become a managerial function. The employees
should be considered with future orientation. They should be encouraged to develop new skills and knowledge for the organizational development.

This concept works on the constant identification of new possibilities, rather than assigning new jobs to the employees. The role of leaders has changed from all-knowing bosses and supervisors, to moderators and inspirations. The leaders should have capabilities of recognizing, attracting and releasing knowledge in the organization. How can the process of knowledge transfer be managed? This is the biggest challenge.

The solution to this problem or question which is in the mind of the top level management of many organizations is that it can be done through proper training and development of the employees by conducting seminars, workshops etc.

5.11 Seminar and Workshops

A seminar is an informal way of presentation where the academic instructions are offered by a commercial or professional organization. Small groups are brought together for discussing and focusing on some particular subject where everyone present has to participate actively.

Seminar familiarizes participants with the methodology of the topic and allows them to interact with examples of the practical problems that can occur during implementation of the new system. In seminars assigned readings are discussed, questions are raised and discussions are held.

These kinds of seminars and workshops are planned by the top level management for training their employees on the new system that they are working on or the one which they are implementing. If they are working on a new project, they do these kinds of seminars or workshops to see or identify whether the employees are ready to accept the new system on which the work is going on.

To accept any system, a proper understanding of the concept is very much required. If the people understand the system properly then they can think whether this new system will be beneficial to them and according to them beneficial to the organizational growth or not.
5.12 Performance Appraisal

In today’s organizations, ladder is replaced by cooperation, participative headship, authorizing employees, improving CRM and BPR. So the employers require to find out options to sustain and increase their personnel development.

The importance of performance appraisal has been identified and implemented enhance the productivity of their employees. A true and fair view of performance appraisal should be presented to gain trust of the employees, their loyalty and job satisfaction. This will help in organizational success.

Organizations are asking personnel for optimum utilization of resources that means more productivity with lesser resources. Management layers are reduced which causes increased workloads. The traditional evaluation systems are not in practise anymore.

“Any company that’s going to make it in the 1990’s and beyond has got to find a way to engage the mind of every single employee. If you’re not thinking all the time about making every person more valuable, you don’t have a chance. What’s the alternative?

Wasted minds? Un involved people? A labour force that’s angry or bored? That doesn’t make sense.”

Employees with low PA are generally dissatisfied with their job, so they are less committed to the organization and more prone to leave the organization.

Objective of Performance Appraisal:

Performance appraisal helps to:
Biometric Processes Vis-a-Vis Organizational Development Potentials

- review the employees performance timely
- compares the performances with the targeted performance standards
- helps in controlling the organizational targets
- helps to produce a healthy atmosphere in the organization

- It identifies the strengths and weaknesses of employees
- I helps the employees polishing their grey areas through proper training

5.13 Corporate communication: Need and use

Corporate communication is a communication, used in organizations for higher competence of work. Corporate communication refers to the communication processes designed for business purposes. It points to the communication within the organization and the communication between different organizational entities. The different types of mass media can be used for the same..

The concepts used in corporate communication are: identity, reputation and orchestration. The organizational communication should be transparent to the surrounding and internally as well. The communication should not be politically governed or biased. It should be straight and clear. The communication should not affect the identity of the organization or its employees. It should not degrade the operations of the organization.

The corporate communication is of two types:

i) Internal Corporate Communication

This is the communication within the organization. The tools used for the same are business meetings, conferences, interviews, presentations, brochures, newsletters, etc. It is used for making announcements, decision making, sharing information, views and
opinions within the organization. It helps to create a conducive work environment and hence helps in increasing the productivity of the organization.

Internal corporate communication is of two types:

- horizontal communication – peer communication
- vertical communication – top-down/bottom-up communication

ii) External Corporate Communication

That is the communication of the organization with the outside world which includes investors, customers and other entities. It uses the concept of advertising, marketing and PR and helps the organizations to portray itself to the entire world. It helps in creating the organization’s image.

External corporate communication includes TV and print ads, radio jingles etc.

Corporate communication plays a major role in creating and maintaining the business image of any corporate entity. It is an effective strategy to communicate the brand value and reputation to its customers, stakeholders and the target audience. Also if a new system has to be implemented and the employees have to informed about it and if the communication is not done in a proper manner then the implementation can be a flop show which can be converted to success if the concept of the new system, its advantages as well as disadvantages to the employees and the organization. With the help of the corporate communication these things are communicated to the employees then acceptance level can be improvised up to a large extent.

1. To have a Better Rapport

Rapport building is the key motive of any corporate communication strategy; this can be internal and external, as well. When there is a constant rapport with employees and customers, the business image of the company will also get higher. It is for this reason
many big companies like coco cola and IBM follow effective corporate communication strategies.

2. To Highlight the Performance

Nothing other than frequent communication like newsletters and posters can effectively highlight the performances of the company. This will again have a positive impact on the business image of the company.

3. To Advertise New Products & Services

Regular means of communication will help in easy reach of new products and services to the consumers. So, corporate communication becomes highly essential for advertising new products and services of the company.

5.14 Absenteeism

The major problem faced by the organizations in the today’s time is the employees absenteeism. This leads to the decrease in productivity and efficiency of the organization, as a result it leads to financial losses.

Possible reasons for absenteeism

- Unhappy with the boss or supervisor
- Unhappy with the working hours
- Health issues
- Low pays and high work loads
- Poor benefits
- No job satisfaction
- Uninteresting work
Employer/ Organizations face cost due to the absence of their employees and these costs can be categorised as follows:

* Salaries of temporary staff
* rescheduling staff or hiring staff cost
* cost of training new staff
* Reduced productivity and efficiency

Organizations have to pay a high price for absenteeism. The organizations facing high level of absenteeism needs to hire a replacement employee and train them. An organization facing a high level of absenteeism has some internal problem. The management should do some homework to identify the cause of such high absenteeism. Organizational factors influencing absenteeism are the workplace and work satisfaction. Workplace involves the environment as well as the culture or practices practiced at workplace. The company owners, human resource managers, admin managers or IT managers look for the simplest solution to solve the staff’s attendance problem. The problem stems from lack of surveillance and control. Without careful surveillance, control is weakened and absenteeism steals your company’s productivity subtly without you even noticing it.

5.15 Importance of accurate and reliable data:
Biometric Processes Vis-a-Vis Organizational Development Potentials

Many organizations have been using computer systems to supervise staff’s attendance with objectives to reduce workload of human resource department, to save time and operation cost and to process payroll faster. However, for this, the data needs to be accurate. When the identity of a person can’t be truthfully confirmed, the problem persists! Nobody wants GIGO!! Garbage In Garbage Out is the computer science term referring to results of data processing that is directly related to the quality of data. Inaccurate data will produce inaccurate results. No one feels it worth to spend the vast amount of money for an ineffective system.

A proper accurate biometric system is required so that the data as well as the attendance can be noted in a proper manner and the consistency and integrity of the organization is maintained. The employee will not be able to cheat the organization by buddy punching or putting proxy attendance. Also, the organization will be able to identify the people who are playing with the organization’s rules and regulations. These types of incidences spoil the culture of the organization and thus reduce the effectiveness and efficiency of the working in the organization.

So, for this, the organizational people, the organization needs to improve the attendance system as well as the data security system which is taking care of the attendance of the employee and will secure the personal and the professional data of the employees.

5.16 Use of Biometrics:

The only solution to overcome attendance and employee data security problem is biometrics system. Biometrics system is identity verification technology using human body parts, and the most popular and viable verification system is fingerprint system due its practicality and ease of use. Biometrics system does not require additional cost for every worker who is using the system because all you need is a fingerprint. No cheating of attendance and employee data with biometrics time attendance system and biometric security system.
Biometric Processes Vis-a-Vis Organizational Development Potentials

Employee identification is the most essential part of any organizational security system. Identification is done generally using an id and a password. Many incremental changes are made in this basic process, so as to increase the security of the organization like not sending passwords over networks using ciphers etc. But still the password protection is an old method now.

The best authentication method known and used now-a-days is Biometrics. In any network or any security system, the password is most easy to hack and crake, so biometrics has taken over.

The prospective threats with any security system in the organization can include:

- Outsider gain access to the organizational private information, this is also called as Privacy attacks.
- Playing with the organizational data and/or systems
- Manipulation by an intruder into non- legitimate activity like inappropriate money transfer. This is also called as Subversive attacks.

The authentication and authorization processes go hand in hand to control access to the organizational important information as well as systems. Impersonation of the authorized users and their authorization levels can be of major concern to the organizations.

We have seen that the different ways to authenticate a person are:

**Passwords: This approach provides a unique user name and own defined password to the user.**

*PIN or Password*
A user name and password is given to each employee by the organization. As the E-Mail system, the user can enter in to the system or the organizational database by putting in the password.

This password is called as a PIN. That is the Personal Identification Number.

It is an alphanumeric value with some special characters included in it.

The length of the password/ PIN is fixed to 7-8 characters or can define the minimum acceptance digits of passwords/PIN.

This password need not to be disclosed to anyone by the system and is used in combination with the user name.

There are disadvantages associated with this method:

a) It is weak and prone to a number of attacks.

There can be n number of ways to actually identify the passwords and enter in to the system. There are different types of software available to help hack the passwords and enter in to the system. That is why this approach is very prone to the attacks.

b) The security depends on the secrecy of user ID and password.

Sharing of password along with the user name will create problem for the organizational data and details. The employees’ illness or some professional or personal commitments can create requirement for sharing of passwords.

The employee shares password with another employee working in the same organization and the password is out and can be very easily misused.
i) The password can be easily hacked and security can be breached easily.

ii) The notorious minds can easily create problems.

iii) The people play with the fellow employee by hacking the password and entering in his system and create problems.

iv) It can be for fun or with a very wrong intention for creating problems in the organizational work.

v) It can be done with intend to degrade a particular employee.

As the password can be easily hacked and the security can be easily breached, this attack can be directly on the management or in order to stop or tamper with the growth of the organization or it can be done in order to harass some employee.

Thus this method of security is not a good option for the organizations.

**Security Token like Smart Cards or Software Tokens:**

Key, Magnetic Card or Smart card

A magnetic card or a smart card is used to get access to a secured area.

A physical device which is used to authorise a user in order to ease the authentication process by proving the employee’s identity electronically is called as a security Token.

The security tokens holds some code that helps the person owning the card gets access to that secured area. If this card gets misplaced, the card owner automatically gets authority to enter the secured area.

Thus, security breach is very easy and obvious.
Hardware Tokens:

A card which when swiped through the machine gives the access to the secured area, or entry in the organization.

A security token or authentication token is a small hardware device that is carried by the owner for authorizing the access to a particular network service. This is a two-factor authentication. In the two-factor authentication, the person who is seeking the authentication has a personal identification number (PIN). This PIN authorizes the person to be the owner of that particular device. Once the PIN is entered, the device displays a number which uniquely identifies the user to the service and gives him the permission to log in to the system.

The properties of such hardware tokens are as mentioned below:

Involves additional costs

This approach needs a token to be provided to every employee working in the organization for authenticated. This involves an additional cost to the organization.

User needs to carry the token along with him

The user needs to carry the token every time he wants to enter into the organization. If he forgets the token at home, his attendance will not be accounted or he will not be authenticated to enter into the reserved area.

Different tokens needed for different devices

A different device is used to identify different token. The common device is yet not created for all the tokens. Every device used in the organization needs a different token. So, in a way it is an extra cost to the organization.

It does not protect fully from Man-In-Middle attack.
Software Tokens

A **software token** is a type of two-factor authentication. In this approach, a PIN authorizes the person to be the owner of that particular device. Once the PIN is entered, the device displays a number which uniquely identifies the user to the service and gives him the permission to log in to the system. The Software tokens are stored on any electronic device such as a computer, laptop, PDA, or mobile phone.

This can be easily duplicated.

The software tokens are physically not in possession of anyone that is the reason they are exposed to unique threats like computer viruses and software attacks. The software tokens are also vulnerable to man-in-the-middle attacks, or simple phishing attacks. For resolving the problems of phishing attacks, the one-time password is provided and supplied to the genuine website in a timely manner.

The software tokens:

- Need not to be carried physically
- do not contain batteries that will run out
- are cheaper than hardware tokens.

**Problems with the Software tokens:**

i) They need a user training
i) They need a controlled environment for deployment

ii) Reinstallation or configuration is required in case of problems.

iii) Needs a proper protected environment

**Using Biometrics**

Iris Recognition, Fingerprints, Voice Recognition, Face Recognition.

The biometric identification is used for authenticating a person to identify the individuals or to provide access rights to the correct authenticated person. There are two types of biometric identifiers:

- Behavioural
  - Physiological

Behavioural: In this type of biometric identification, we read the person’s behavioural traits. Or in other words, the traits are related to the pattern of a person’s behaviour like his speed of typing or his voice.

Physiological: In this type of biometric identification, we read the person’s shape of body. For example, the finger prints, face recognition, palm prints, hand geometry, iris recognition, etc.

Properties of the biometrics system are as mentioned below:
Biometric Processes Vis-a-Vis Organizational Development Potentials

- The high-security systems and sites can be accessed in a secured way.
- As the biometric factors are specific to the problems of users, non-repudiation problem can be solved.
- Various authentication methods can be used like fingerprint, iris or retina scanner
- Compromising is difficult.

Now, once a person is authenticated and allowed to enter into the organization, he also can access the records of the organization. When the records were maintained on the manual basis, there was a security guard outside the data storage space/room, which first authenticated the user and then allowed to enter the room and this person, had some authority to view some documents and not to view some others.

Passwords: A source of numerous threats

Identification is the weakest link in the security system. According to CERT, 80% of the security attacks in any organization are password-related. Perfect implementation of the passwords is very difficult as many employees want to exploit the weaknesses of password protection.

Passwords can work effectively in case employees use them correctly, all the time. The problems in password protection are:

**Easy passwords**: Passwords are generally easy guess.
Simple password: availability of password cracking software.

Single passwords for many systems: People prefer using the same passwords everywhere so that they do not need to remember many passwords. If this password is cracked, many other accounts can be opened through this.

Accessible passwords: Very common passwords like name initials or date of birth or some such details are easily accessible and can be easily cracked.

The passwords should have some features so that cracking becomes difficult. They should be longer and should contain different characters. They should be easy to remember, so that the user does not write them in some accessible locations. If the security is less convenient, the there are more chances of it to be bypassed.

One password failure can compromise the overall security on every system to which that user has access.

There are many ways to play with passwords. The list of threats are:

- Password Guessing
- Using password cracking programs
- Interception of passwords on the network or on the insecure sites
- Using keyboard operation tracker device to intercept the password
- Throwing viruses for sending password information to the originator

The benefits of biometrics

Biometric authentication can help the organizations resolve most of the security problems. As compared to other methods, the chances of human errors are low in biometric systems.

- Biometrics cannot be "guessed", they are owned
- A user doesn't have to think up a "strong" fingerprint, so the security of the metric doesn't depend on human effort.
People can't "forget" biometrics

It is impossible to give one’s body part to someone else. Biometrics is more secured option compared to other method in social engineering.

Biometric systems are user friendly, convenient and reduces the misuse to a large extent.

From the study, the research scholar has proved that:

- People are resistant to technological change in the security system of the organization.
- Lack of proper security system results in organizationally important information hacked and misused.
- A proper approach for implementing the security system in any organization increases the data security.
- Indian organizations’ perspectives and mentality towards working hours is casual.
- Proper identification system reduces absenteeism
- Avoidance of Absenteeism increases efficiency and productivity.

The various devices used for the time and attendance are:
5.17 Further study and work

Part of that growth stems from biometric technology slowly expanding into other types of security solutions. While adding a biometric layer to a typical identification card application is becoming more common, Doug Bolden, U.S. business development manager at Hanscan Identity Management, says that these same types of card authentication solutions have caught the attention of the financial sector.
The key growth areas identified are:

**Banking Sector:** which is interested in ways to deter identifies theft and credit card fraud. Biometric identifiers like fingerprints can be used to validate that the correct person is using a credit card at the point of sale, with the biometric solution interfacing with authentication software sitting on the bank’s servers. “You can encode your fingerprint, and guarantee validation of the person using the credit card,” Bolden says. “That can significantly reduce credit card fraud. If you can go into a bank and tell them that you can guarantee a reduction in fraudulent credit card use, you definitely have their attention.”

**Smart phone identification:** Consumers increasingly use their mobile phones to conduct banking transactions, check account balances, purchase items online, and access other personal information. Likewise, enterprise users that access corporate servers may want to protect access to sensitive data. Biometrics on the phone would provide an added layer of protection against over-the-air data theft or use of a lost or stolen device. “We use smartphones in the same way we use laptops now,” Bolden says. “People store important information like passwords and account data on their cell phones. How do you secure those?”