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PREFACE

We are pleased to present the latest issue of the “International Journal of Advanced Multidisciplinary Research, Cases and Practices”. This publication continues its mission to serve as a global platform for the exchange of knowledge, insights, and innovations that transcend traditional disciplinary boundaries.

In today’s dynamic academic and professional landscape, the intersection of multiple disciplines provides fertile ground for groundbreaking discoveries and impactful solutions. This journal aims to showcase the depth and breadth of multidisciplinary research by featuring studies, case analyses, and practical applications from diverse fields. Our contributors explore complex problems, integrating perspectives and methodologies to offer innovative approaches and actionable outcomes.

This issue highlights an array of topics, ranging from [insert general themes or subject areas featured in this issue, e.g., "sustainable technologies and education innovation"] to [another theme]. These contributions underscore the journal’s commitment to advancing knowledge that addresses real-world challenges while enriching theoretical frameworks.

We extend our gratitude to the authors, reviewers, and editorial board members who have contributed their expertise and effort to ensure the high standards of this publication. Your dedication to fostering collaborative research is the cornerstone of our success.

We hope that this issue inspires readers to pursue interdisciplinary endeavors and contributes to the advancement of knowledge and practice in their respective fields.

Warm regards,

Dr Kumardatt A Ganjre
Editor-in-Chief
International Journal of Advanced Multidisciplinary Research, Cases and Practices

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The Role of Artificial Intelligence in Healthcare, Finance, and Education

Sibaram Prasad Panda

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The Role of Artificial Intelligence in Healthcare, Finance, and Education

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Abstract- Artificial Intelligence (AI) is a term that has been widely and frequently asserted in various aspects of life. With the latest rise of machine learning that is now touted as a subset of AI, motivation to leverage AI technology surged around the globe. Consequently, several studies exploring AI-based technologies are currently being conducted in numerous fields including, but not limited to, healthcare, finance, robotics, smartphone, and education. The survey is intended to provide an overview of the current applications of AI-based technologies in healthcare, finance, and education as well as to summarize any potential concerns and remaining issues related to these technologies. Among the plethora of AI-based technologies, the three representative fields were selected.

Key words: AI in Healthcare, Medical Diagnosis, Artificial Intelligence (AI), Machine Learning (ML), Deep Learning, AI in Finance, FinTech, Fraud Detection, AI in Education, Intelligent Tutoring Systems, Personalized Learning

1. Introduction to AI Applications

Artificial Intelligence (AI) is a term that has been widely and frequently asserted in various aspects of life. With the latest rise of machine learning that is now touted as a subset of AI, motivation to leverage AI technology surged around the globe. Consequently, several studies exploring AI-based technologies are currently being conducted in numerous fields including, but not limited to, healthcare, finance, robotics, smartphone, and education [1]. AI is the capability of a machine to imitate intelligent human behavior. Broadly, AI encompasses machine learning that can be thought of as a subcomponent of AI. Machine learning is a technique that can enable a system to learn the knowledge from data and improve the performance of the system without the need for explicit programming.

The survey is intended to provide an overview of the current applications of AI-based technologies in healthcare, finance, and education as well as to summarize any potential concerns and remaining issues related to these technologies. Among the plethora of AI-based technologies, the three aforementioned representative fields were selected. For each of these fields, summary is made on some representative technologies in performance, data, system, expert system, and human-level intelligence. The summary of potential concerns and remaining issues related to these technologies includes considerations of ethics, interpretability, trust, safety, regulation, responsibility, transparency, human-computer interaction, and technology adoption.

2. AI in Healthcare

Artificial intelligence (AI) powers the digital age. Broadly defined as the imitation of human cognition by a machine, recent interest in AI has been driven by advances in machine learning, in which computer algorithms learn from data without human direction. AI is increasingly incorporated into devices that consumers always keep with them. In health care, there is great hope that AI may enable better disease surveillance, facilitate early detection, allow for improved diagnosis, uncover novel treatments, and create an era of truly personalized medicine. There is also profound fear that it will overtake jobs and disrupt the physician–patient relationship. The wealth of data available in the form of clinical and pathological images, continuous biometric data, and internet of things (IoT) devices are ideally suited to power the deep learning computer algorithms that lead to AI-generated analysis and predictions. Consequently, there has been a substantial increase in AI research in medicine in recent years. AI can obviate repetitive tasks to clear the way for human-to-human bonding and the application of emotional intelligence and judgment in health care. Given the time limitations of a physician, as the time demands for rote tasks increase, the time for physicians to apply truly human skills decreases. By embracing AI, humans in health care can increase time spent on uniquely human skills: building relationships, exercising empathy, and using human judgment to guide and advise [2]. Accordingly, a number of studies on the use of AI-based technologies in health care are currently being conducted. The use of machine learning algorithms in medical image analysis has been expanded widely to most medical departments. AI-based medical image analysis tools are being commercialized by startups such as Vuno, Lunit, JLK Inspection, and Deepnoid by receiving approval from the Ministry of Food and Drug Safety. Various technology giants such as IBM, Google, Apple, and Samsung are competing to develop and commercialize devices and services that can assist in improving user health by acquiring health information from daily life using a combination of Internet of Things (IoT) technologies and wearable devices [1].

2.1. Transforming Patient Care

AI has the potential of automating patient-centric responsibilities that fill much of a healthcare provider's time. Patient care-related tasks and processes that enable and enforce patient care are already ripe for automation. These tasks are repetitive, interactive, or both. Scheduling, billing, and dealing with insurance companies generally fall into the routine administrative tasks automation category. AI-enabled chatbots can triage patients on the hotline, and Healthcare bots can simulate human-like conversations. AI-based customer support can expedite responses for non-patient-specific inquiries. Facilities, bed, and operating room scheduling can also help manage patients more efficiently, while cleaning and sterilization tasks could be managed with

AI. Reducing the administrative burden is an enabling step that will leave more time for actually providing patient care. One option for clinical care is AI-generated results, where a machine mimics a part of a human function and produces part of the clinician's result. Examples include diagnosis via imaging analysis, automatic identification of patients with COVID-19 based on lung X-ray analysis, and selection of appropriate patients for surgical procedures. [2] [3]

Lastly, patient-centric interactions or direct human-to-human interactions can be improved by AI. Patients and families forget information after receiving treatment and consent forms, leading to dissatisfaction and disputes. Evidence-based kaizen automation, implemented with process-mining technology, can assess the co-interactions of a patient, family, physician, and staff in an operating room surgery during the period of perioperative. Inpatient notes saved in a notebook can be difficult to access at the clinical site. AI with natural language processing can analyze large amounts of text data and summarize and visualize clinical notes. Rounding experience of medical students can include AI, where students acquire the digital capability of creating care outcomes based on mobile devices and learn real-time data extraction techniques to steer the rounding mission.

2.2. AI in Diagnostics

Healthcare systems have witnessed enormous advancements during the last decade, all thanks to contemporary technology. Today, virtually all healthcare systems have incorporated automated systems, data collection, and storage due to medical databases, the Internet of Things (IoT), and wearables. With the advent of modern data-rich healthcare systems, there has been substantial development in the field of Artificial Intelligence (AI) in healthcare. Machine Learning (ML) and Deep Learning (DL)-based AI tools have shown a huge impact on medical diagnosis in the healthcare system. They can correctly predict different categorizations in biomedical research data, health record encoding, EHR data analysis, and image data diagnosis of diseases or tumors [4]. Moreover, AI applications are extensively used in other fields of healthcare, including MMHG, biomedical knowledge representation and analysis, big data analytics in integrated databases, predictive modeling in EHR, gene discovery in personalized medicine, decision support in genome sequencing, and safety monitoring.

The recent COVID-19 pandemic reminds and raises awareness of rapid disease data accumulation due to its significant global devastation. It inspired the scientific community and the general public to innovate and use advanced technologies, gaining momentum in the last decade. This paper reviewed and presented the state-of-the-art application and development of AI-based ML and DL diagnostic tools that have been successfully leveraged in the fight against COVID-19 by different research communities and companies. Additionally, open challenges and directions in this field are discussed. On 31 December 2019, the World Health Organization (WHO) Country Office in Wuhan, China, was informed of an outbreak of pneumonia in Wuhan, Hubei Province, China, which has subsequently been reported as the coronavirus disease 2019 pandemic. Due to its high transmission ability and conflicting symptoms with other respiratory diseases, the early detection and treatment of the COVID-19 disease are imperative to contain its spread. On 11 March 2020, WHO declared COVID-19 as a pandemic. By 5 May 2020, there were more than 3.6 million confirmed cases worldwide, and the cases were continuing to increase alarmingly. Additionally, because of the unavailability of the required number of kits and manpower to perform the tests, a low number of tests per positive case, other operations, and an insufficient number of hospitals, most of the countries were undergoing high positivity rates compared to the number of tests and case increases. The alarming increase of the COVID-19 pandemic raised awareness of the importance of rapid COVID-19 detection screening systems to isolate potential patients. Thus, unlike the common person, COVID-19 diagnostic tools are required for nonmedical persons to speed up the process.

2.3. Predictive Analytics in Healthcare

Predictive tools are automated and employ a wide array of sophisticated statistical techniques to predict future occurrences of events from historical and current data. Predictive analytics uses learning algorithms, statistical modeling techniques, and data mining technologies to draw inferences from the data and predict trends and behaviors. In the medical area, predictive analytics can change the face of patient care by forecasting infectious disease outbreaks, tailoring treatment plans, and employing hospital resources more effectively 12. Predictive analytics is similar to forecasting but employs a wider array of algorithms and statistical techniques. Rather than predicting future occurrences of events, predictive analytics are used to provide a basis for insight that can be tested more rigorously. For example, predictive analytics is being applied to determine how to search texts, analyze sentiments, and measure health impacts. Across widely varying applications, predictive analytics require three key interrelated components: the analytics, the data, and the application. In most cases, these components need to be integrated to provide useful insight regarding the usage of health services, with users searching for possible interventions and for evidence to support them. Predictive analytics employs techniques such as machine learning, statistics, and data mining to analyze historical and current data and make predictions about future events or behaviors. In healthcare, predictive analytics can help forecast outbreaks of infectious diseases, tailor treatment plans, or allocate hospital resources more efficiently. Using predictive analytics, machine learning (ML) algorithms can forecast the patient's risk of longer hospital stays and various diseases. A machine learning algorithm is a set of statistical techniques that allow a computer to learn, analyze, and make predictions or decisions based on data, a key component of predictive analytics.

2.4. Ethical Considerations in Healthcare AI

While the excitement surrounding discoveries in hospitals, medical research facilities, and industries is great, so is the concern over the ethical and technical problems connected with these approaches [6]. There is a growing need for work ethics to match increasing use of AI in healthcare as a result of its cross-disciplinary nature. The requirement for AI systems that are sufficiently interpretable and transparent, as well as interdependent with responsible AI standard processes, architecture, data, training techniques, standards,

measures, and degree of autonomy, arises as smart healthcare products become more automated. The ethical necessity for AI decided conclusions to be in the same measure of convergent expert opinion in order to be held responsible arises as AI health technology assessment becomes more advanced. Machine learning, natural language processing, and cognitive computing are only a few of the processes used in AI healthcare applications. While the investment in digitalisation has risen because of the COVID-19 pandemic, AI development in delivery, patient-facing services, and data management in health services is apparently lagging in many jurisdictions.

On the one hand, the healthcare sector is lagging in front of the important AI advancement. While healthcare is one of the pioneering sectors to embrace ICT frameworks and solutions, it has often been stagnant due to regulation complexities, stakeholders' reluctance, and a naturally more opposed sector regarding pre-disclosure processes and risk aversion. At the same time, AI development is crucial to ensuring a higher quality, efficiency, and responsiveness to population needs, imperatively coupled with the post-pandemic recovery efforts transitioning towards a well-being economy. On the other hand, the H308-Healthcare AI scope requires a good understanding of the fine balance between the need for an open frame for AI to flourish, and the obligation of regulations and standards to bind AI systems within the psychological, legal, and ethical boundaries. AI systems enable increasingly automated societies and better control of these systems are of major concern, but undue restrictions can cause irretrievable opportunities.

3. AI in Finance

Artificial intelligence (AI) is a collection of algorithms that allows computers to carry out a variety of tasks that would ordinarily require human intelligence, such as perception, reasoning, learning, and problem solving. Financial businesses frequently involve multi-market application, business modeling, and service provision in several financial sectors. Among them are trade markets, crypto assets, fintech, insurtech, Internet finance, stock exchange, cryptocurrency, FX market, e-lending/loans, reconstruction financing, decentralized finance, payment markets, billing, remittance, cross-border transfer, mobile payments, and app-based payments. However, many online/mobile (payment) services are not originally funded by the finance sector but by technology and service companies. It is critical to take a multi-disciplinary approach to investigate multi-market activities and services by AI in finance. With the growth of financial businesses every day, there is a dramatic increase in the volume, velocity, variety, veracity, and value of finance data generated, acquired, and traded, data-driven modeling toward better understanding, explaining, and understanding of EcoFin phenomena and behaviors, financial pattern recognition, product basis/valuation pricing, dash-board analytics, and financial smart payment and service recommendations [7]. Today's huge finance data produced in various data formats and via diverse data sources, platforms, and channels in a distributed/multi-market fashion becomes a central/global concern, challenge, and opportunity of such a data economy.

Mainstream financial channels store and process data at source by data-wise federated analytics, designing algorithm/hyper-parameter-wise distributed ML model updating for multi-market multi-node finance modeling, employing federated learning at AI/ML application-layer to robustly model market pricing/forecasting in cross-market applications, and so on. Hybrid AI/ML cloud-and-edge smart modeling and reasoning is short of deep interpretation/plausibility and data-driven development in predictive knowledge realization. AI with other advanced computing methods is applied in finance, resulting in explanation and understanding opacity/uncertainty in EcoFin phenomena, overselling knee-point fluctuation/price clustering in crowding effect, broad financial technology implementation challenges, and black swan uncertainties in the market. AI models their respective EcoFin systems/data-generation processes physically, laterally, and at variable resolutions in a multi-domain, scale, and space manner. Multi-domain/cross-scale models capture free-phase common phenomenon/agenda and analysis/understanding of the overall complex EcoFin systems, unbounded by existing domain-limited/micro-scale modeling/view.

3.1. Algorithmic Trading

Algorithmic trading is a central application of Artificial Intelligence (AI) and has played a crucial role in finance. In the past, basic algorithmic trading was commonly employed in stock trading, and traders needed to rely on years of experience to devise an efficient trading algorithm. Recently, with the rapid growth of code-sharing communities, many resources for designing algorithms have become available for use. However, a comprehensively applicable design of the data science pipeline in comparison to specific asset classes across different exchanges in one system is still limited. It is rewarding to design a generally applicable data science pipeline, including pre-selecting pertinent parameters for data gathering, coding out backtests of different trading strategies, brief explanations of universal trading strategies, and evaluation of models involved, to request attention and use in academic research and application [8].

With aid from the open-source Python3 backtesting library, a relatively thorough and concise instruction on how to program trading strategies is provided. Four algorithms widely employed to trade stocks and crypto assets are arranged: classical algorithmic trading (moving average crossover of close prices and floating upper/lower bands of volume-weighted average price on close prices), sentiment analysis (interpreting and trading sentiments expressed on Twitter), and statistical arbitrage (take advantage of temporal mispricing with high-frequency trading strategy). To improve the compatibility of the source code across platforms and asset classes, it is advised to apply the library to code and analyze trading strategies. In terms of simple programming availability, the library is preferentially selected in this research.

3.2. Risk Management and Fraud Detection

Artificial Intelligence (AI) systems have been used in various industries, including fraud detection in the financial services industry. Regulations such as the European Union's Artificial Intelligence Act and the monetary authority of Singapore's guidelines on AI and data analytics have been developed to

ensure compliance frameworks succeed compliance approaches across the enterprise. The system and lifestyle framework addresses compliance with AI regulation in a service lifecycle approach and helps identify compliance gaps and formulate tailored solutions. The prototype CASE tool has aided compliance by surfacing and instantiating compliance requirements. Financial services is one industry where AI has found broad application due to vast amounts of available and collectable structured and unstructured data. AI has enabled services and applications previously not thought possible in this industry, significantly improving customer experiences and achieving higher operational efficiency. However, its involvement in broader and increasingly critical decisions has exposed gaps in the currently established compliance frameworks. Direct negative impact from negligence and poor oversight of high-stakes models has been seen and anticipated by the financial services industry, most notably with the 2021 collapse of hedge fund Archegos Capital with multi-billion-dollar loss to Nomura Holdings and Credit Suiss. The rise of explainer AI techniques has bumped ethical concerns about algorithmic discrimination in AI models in general usage, such as inadvertent discrimination against ethnic and demographic minorities by Amazon and Facebook recommendation engines [9].

Fraud causes substantial costs and losses for companies in the finance and insurance industries. As the digitization of these industries continues, the threat of fraud increases, while at the same time big sets of new data are generated that could be exploited for fraud detection. Companies have to cope with vast amounts of data and at the same time find beneficial fraud patterns. To deal with these issues, many companies in this sector have developed so-called fraud detection systems that match customer requests with rules to identify fraudulent cases [10]. However, data-oriented issues complicate the use of classic methods for fraud detection in finance and insurance companies. Typically, this task is solved by applying statistical and machine learning methods to develop predictive models. Nevertheless, applying these methods is hampered due to generic issues from the claim model point of view, transaction and claim data are often unstructured, and fraud data are highly unbalanced. A target claim can consist of a collection of input claims, which in turn can consist of a collection of multiple claims. Thus, a claim does not have a fixed length. Before a model can be trained, it has to be designed for analyzing data with such cumbersome structure.

3.3. Customer Service Automation

The field of AI is continuously being developed in healthcare, finance, and education as it benefits the society and different organizations. The healthcare industry is benefitting from machine learning that helps in diagnosing the disease and artificial intelligence is getting transformed into medicine applications, robot-assisted surgery, imaging diagnostics, flood diagnosis & prediction, and personal devices. AI decreases human error and is able to deal with huge data sets that can be handled through IT solutions [11].

The finance industry is mainly revolutionized by AI applications. Algorithms are being widely applied across the finance sector like trading, forecasting of prices, portfolio management and risk management, fraud detection, reconciliation, text and sentiment analysis, accounting, compliance, customer relations, insurance, and credit scoring. AI is geared to cut costs and save time across sectors. A huge transformation is being brought in education through AI. AI will be able to assist students and make learning easier and engaging. Subject representation will be able to help students learn about their interests and understanding levels. Smart content is generated through technology so that AI tools assist in preparation of updated books, exercises, and assessments. Students need to be taught on how to evaluate sources of information, both in terms of legitimacy and location of material. AI is able to revamp the customer service automation with use of chatbots for massively programmed interactions. There will be a shift towards more personalized interactions with customers that entail a heavy lift for programming. AI driven services can be deployed that can receive training on actual sources of information through interacting with Human agents and even tapping in context from background material.

3.4. Regulatory Challenges in Finance

The financial system has long been characterized as one of the most heavily regulated parts of the economy. This is in recognition of the strong externalities arising from financial activities that make the regulation and supervision of financial institutions important for the stability of the wider economy 5. A fundamental, even philosophical, challenge for regulating finance is that stability is a property that is hard to establish for all parts taken together. Individual parts can be perfectly safe, but the system as a whole remains unsafe, a situation that has played out historically on many occasions.

Fortunately, there is a wealth of experience in regulating the financial system, and the early warning signals of emerging problems in one part of the system are well known. Creation of new instruments or institutions in a certain country or market typically spreads to others, inducing dynamic equilibrium considerations. Emerging risks typically realize when the system is unprepared, leading to accidental impoverishment of agents before authorities realize their existence. It is also understood that everyone should look beyond the margins of regulation adopted or overseen by others to limit the emergence of regulatory black holes.

Nonetheless, AI will have consequences for the conduct of financial regulation and supervision 5. The private sector will increasingly adopt AI systems for the gathering and processing of incoming information and provisioning of risk metrics. This may change the behavior of private sector institutions, and how approaches to prudential regulation take mortality into consideration. If a number of institutions adopt the same engine and training data to the same knowledge and risk universe, they will likely do similar actions under similar stimuli, inducing contagion. The same underlying beliefs also lead to procyclical behavior. Reactions to sudden shocks will also tend to be similar, amplifying societal behaviour.

Supervisors will likewise have to address how AI will affect all aspects of financial regulation and supervision. Supervisors will likely end up outsourcing many analytics to a few large AI vendors. This will change the nature of the regulated/supervisor divide, blurring lines between the public and private sector, banking and technology, and domestic and international boundaries. It will also lead to a single

representation of the financial system, as regulated firms or supervisors begin consenting to a single language. This will not be value-neutral, and its implications for financial stability will need scrutiny.

4. AI in Education

Quality education is a basic right for every individual in a democratic world. With the advancement of technology, education has evolved from traditional blackboard teaching to chalk-less smart classrooms where non-standardized digital whiteboards present conference room setup. There have been paradigmatic shifts in knowledge delivery methods in the era of the internet, resulting in the emergence of different types of e-learning systems. To outsource the upcoming technological advancement, the emergence of artificial intelligence (AI) driven tools and technologies is expected to revolutionize the educational landscape, benefiting all stakeholders: students, educators, and education-related administrative staff.

AI can be described as "the computational science of descriptions, analyses and predictions of the dynamic behavior of systems exhibiting a degree of complexity typically CF a and beyond" which is achieved through computer programming, machine learning (ML) and deep learning (DL) algorithms trained with required datasets to enable computers to perform the tasks usually requiring human intelligence. In education, the addressable diversity in student abilities, feelings, behavior pattern and teacher idiosyncrasies make learning personalized for no two students even in the same classroom.

However COVID-19 resulted in a forced global online rush and changed the education landscape substantially, exposing challenges that need to be urgently tackled using proactive engagement of AI. Disruption in knowledge flow due to pandemic, masking the teacher's facial expression, making eye contact impossible, detaching students from smartphone usage for online assessments and development of self-driven learners are some of the new challenges in online educational systems.

4.1. Personalized Learning Experiences

AI-driven co-curricular activities represent a simulated yet rich milieu in which isolated online learning can occur. Via intelligent systems, a range of SLIs (Student Learning Interventions) can be deployed to excavate intelligent information about learners and their engagement in DL (Distance Learning). The products from these mining footprints can drive a highly personalized experience for every student regardless of how they normally engage with DL (i.e. watching videos, quizzes, notes, forum). The implementation of intelligent tutoring systems means that development of student profiles can happen automatically as behavioral data are logged across systems . The training materials are customized in order to permit instructors to draw upon a single curriculum while this content and its presentation are modified for individual users. Personalization can also occur at the content level, with smart online textbooks having extensive interactive interfaces that render student learning highly individualized both in terms of the delivery of materials as well as the feedback given. Several forms of interaction were identified in initiatives to address this skill-set disconnect. For example, a learner interacts with material in many ways external to the formal educational event. Providing students with access to a range of these dimensions of interaction is a critical link in developing the overall quality of student experience. Currently, the intelligent co-curricular concept consists of five initiatives. National projects are making good progress on an intelligent podcasting tool, as well as personal education assistants. However, the patient responses to the initial recruitment of students have slowed progress. Workshop participants called for the augmentation of tutoring with personal, conversational education assistants. Global experiments with voice-activated, chat-style interfaces were highlighted, but they require an enterprise-level commitment to the platforms involved. A two-angle need to ensure scalable and effective engagement was identified. Improvement needs to be made to the granularity of understanding student needs. Learning systems that reinforce concepts in a personalized fashion with additional and different materials were emphasized as a critical enhancement.

4.2. AI-Powered Tutoring Systems

The introduction of artificial intelligence (AI) into education has opened new avenues for the design and support of learning experiences. An important development in this regard is the creation of AI-powered tutoring systems. These systems take as their primary design task the creation of adaptive tutorial dialogue models, such that for any given scenario in which it is important for a student to listen to a tutor explain something, a question-answering pair is automatically generated by the system. The effectiveness of such systems is especially important, as the success of the KNewBOTS effort hinges upon the ability of students to derive some benefit from the explanations provided by these tutoring systems. The utilitarian value of AI systems like KNewBOTS for education is therefore supported by a lot of research, which demonstrates that when subjected to scientific evaluation, such systems are efficacious.

There are many applications for AI in education, including assessment, educational and social robots, lifelong intelligent mentors, and more. AI is also being incorporated into traditional education tools, such as adaptive learning management systems, MOOCs, and big data analytics tools for higher education. It is important to remember that AI is not necessary or sufficient for any of these applications to fall under the category of AIEd. For example, "simple" intelligent tools applied 40 years ago in the derivation of basic educational software using expert systems would not be included here. Today, there are hundreds of applications of AI in education, many of which only incorporate "simple" techniques without an intelligent component and therefore fall outside this category. AI-powered tutoring systems in particular take as their primary design task the problem of creating adaptive tutorial dialogue models.

4.3. Assessment and Feedback Automation

The increasing prevalence of authentic assessment methods means that there is a growing likelihood of the inclusion of

data from other sources in the work that students submit for feedback. Automating the provision of feedback complicates the privacy issues by changing the nature of the information involved. More people are involved in the loop and can potentially access this information, which raises potential privacy problems. AI-generated feedback is still confidential information; it needs to be treated with the same privacy considerations. This is particularly important for students in the long tail, whose feedback is much more likely to be unique to them than students and thus more likely to be identifiable to a specific student. The introduction of generative AI solutions poses a specific risk regarding reporting on implementations. Evaluating the effectiveness of these systems will involve investigating the data; this introduces additional privacy risks for those who are most identifiable in the dataset. Accountability for AI systems is where frameworks can be particularly powerful.

Automated assessment systems, which can analyze incoming submissions in real time and provide relevant feedback, can foster student learning by providing holistic concurrent assessments of performance. Instructors are starting to adopt these systems in specific subjects, such as engineering and health assessment. However, most prior research has focused on the model's performance and accuracy in detecting correct knowledge. There has been little exploration of how these systems could shape classroom instruction and pedagogical practices. For instance, high-level clustering of responses can generate deeper insights for student advising. Instructors should incorporate text-based assessment systems into classroom practice for holistic feedback and evaluations rather than numerical evaluation alone. It is necessary to apply the appropriate automated assessment system to a learning context and investigate its impact beyond model performance. Many ML-based approaches are being adopted for student advising, such as identifying at-risk students and early warning notifications. These can be adapted for classroom instruction. The first step is automatically classifying questions and answers. Identifying whether the questions asked are sufficiently challenging indicates the potential to gain much deeper insight into how students think about concepts. This has always been a challenge for large classes, where instructors cannot grade the written answers and have preferred multiple-choice questions alone. This is an opportunity for text-based assessment systems to work alongside instructors and provide holistic feedback and evaluations. Automated systems do not need to supplant or replace the human assessor; instead, it suffices for the automated system to recognize the acceptable answers so that the human grader only deals with those that the automated system is unsure of or identifies as incorrect.

4.4. Challenges in Educational AI Implementation

There are five major considerations for educational institutions that wish to integrate NLP tools into their operators, some of which may not be easy to address. First requires continual funding. Educational institutions must rely on public funding, which may become severely constrained every election cycle. To meet yearly revenue needs, all products need to maintain a minimum user count. If an agency's user count drops below this threshold, the agency's products will no longer be maintained; thus, they will need to pivot to another system or develop new ones. Second benefits of contracts must be apparent enough. Institutions must undergo lengthy processes to procure software, and few educational institutions have confidence in promising-but-untested software. To offset agencies' reluctance in taking risks, they will require clear proof that an infusion of capital will directly result in substantial and tangible improvements. Both the risks of adopting new software and the concrete measurable benefits must be made evident. Third model robustness and AI accounting must be ensured. Addressing both challenges requires a substantial investment in engineers. Engineers must develop and rapidly iterate on NLP systems that are kept robust and accountable. This could either draw the engineers away from other projects or require onboarding from offended institutions. Addressing either of these paths will take substantial time, capital, and resources. Fourth must be in-line with agency's missions. Newly minted NLP tools must be maintained in a consistent and predictable environment. Moreover, educational agencies must strive to keep their products with respect to recent developments in NLP models. High capital investments in NLP infrastructure may quickly become wasted if the tech crashes. Lastly prioritization of applicable versus exploratory inquiries. Model evaluation is straightforward; must agencies also try to investigate innovative or higher-order uses of these newer models? If the answer is yes, agencies must find a way to work them in without sacrificing helpful headway elsewhere.

5. Comparative Analysis of AI Impact

This comparative analysis examines the impact of AI development on occupations in the fields of education, healthcare, and finance in the U.S. through machine learning. Recent advancements in Artificial Intelligence (AI), especially generative AI and its language capabilities, are revolutionizing many sectors. Nevertheless, the labor market dynamics that AI brings are not yet completely understood. A fundamental question is how AI changes job postings. Two complementary methodologies are proposed to investigate this question. First, the state-of-the-art ability-to-task and task-to-occupation mapping is improved to investigate the impact of AI on occupations across considerable occupations and time periods. The average AI impact is measured through the distribution of occupation AI impact. Second, data on tasks is extracted from job postings to investigate how job postings change through a large self-trained domain adaptive generative model. Advertising tasks are first classified, and their share is measured to analyze how job postings change regarding automation in response to AI development at different time periods.

The main findings of this research are that compared to the national average, education and healthcare occupations have higher AI impact; finance has an average AI effect. AI has a great impact on the pharmaceutical sector, which is the most AI-affected subfield in finance. AI implementation also drives occupations to focus on conducting and managing tasks. However, the tasks of writing requests, checking, and user training become less frequently highlighted. A novel pipeline that combines task types extraction and items share evolution across time is proposed to study the change of this task composition. The results show that management, conducting, and development tasks cover a larger share over time, reflecting the irreplaceable nature of these tasks [19].

Meanwhile, advertising tasks suffer from a substantial decline through automation, which is related to prompt engineering. This study lays a foundation for future research on the AI task development process.

5.1. Healthcare vs. Finance vs. Education

Healthcare, finance, and education have been three promising domains that can leverage the benefits of AI and machine learning (ML) techniques and tools. They have much at stake, as there has been much intense local research, as well as applications in which AI and ML are expected to fuel significant transformation. New tools are being developed pushing AI and ML capabilities beyond previous frontiers: methodologies that are being made widely available leading to new and smarter solutions. However, the doubts and fears concerning their likely effects have also been prevalent in those domains, just as in many others. There is a desire to exploit them, and, to some extent, there is a wish to resist them, both of which are likely to lead to significant conflicts and disruptions.

Healthcare is all about saving lives, but "safety in life" and "safety of lives" are both highly active, complex, and uncertain systems. Data-driven analyses and predictions are often crude, inaccurate, and misleading. There are difficulties in adapting and adopting software tools that usually require strong IT literacy and computational experiences. Unpredictable development cost and R&D expense usually surpass the benefits of less obtainable but more valuable outcomes than attention- and trust-seeking and cheap short-term but self-destructive returns, which are damaging to systematic social stability. AI applications often appear a black box, making people's lives safer and good life better, or creating over-reliance and mislead minds.

Finance is not just about managing flows of money, but “safety of income”. It is a tightly constructed complex and uncertain system. Financial analyses typically involve data amounting to terabytes online and gigabytes offline, as well as distributed networks often across political jurisdictions with different regulations and legal restraints, which are challenging to deal with. New software tools often are not user-friendly enough, requiring strong IT literacy. Deep learning-based methodologies frequently yield black-box results that cannot be well interpreted by humans, which are difficult to trust for money. Regulation is often behind the fast pace of development. AI and algorithms are creating enormous impacts either to be positive as assistants or negative as manipulators.

Education is not merely about grading scores for students/candidates, and "safety in education" is not just about test preparation. Teaching and learning are highly sensitive, complex, and uncertain processes. Class performance outcomes are improved by cognition processes from quiz scores to grades. They are also influenced by many stochastic variables, i.e., teaching materials, methods, and styles, but too many or questionable collected data are damaging to student- and school-created social stability. AI and ML techniques and tools requiring proper and a huge amount of data are among the best, but serving the low-cost large margin market, i.e., test preparation, the greatest issue is how to adopt them. Sophisticated models are either black boxes that are unable to interpret foreign results and thus cannot be trusted, or so complicated that they are sensitive to suits of pre-defined hyperparameters leading unpredictable and misguiding outcomes.

5.2. Long-term Implications of AI Adoption

The advancement of AI and its applications are expected to positively impact several industries, including healthcare, finance, and education. In these industries, AI is expected to improve service delivery while also potentially widens the gap between developed and developing nations. Although the full scope of the positive and negative impacts of AI at the global level is yet to be determined, the continuous development of AI apps will unquestionably have unforeseen long-term effects. However, there is a current lack of research on the social, ethical, legal, psychological, and environmental effects of extensive AI adoption in these industries. Consider the healthcare industry, which functions as a cornerstone of society in support of the public. New AI applications in healthcare have disrupted the field, proving capable of diagnosing diseases, both common and rare, at levels surpassing human doctors. AI apps are streamlining the healthcare process by making disease treatments more time-efficient and competent. On the other hand, there is a fear of job destruction brought about by AI. Medical jobs that have taken years of complex training require no such preparation for AI. Additionally, AI's potential access to personal life and intimate data raises uncertainties about how it will be stored and used. In finance, particular AI technologies can analyze vast datasets in a short amount of time, assess user preferences, behaviors, and unfavorable tendencies, identify fraudulent transactions, suggest stocks to invest in while also analyzing trends, and reiterate on previously successful bet types. Conscious or subconscious fear of job displacement may arise from their observable superiority to humans. Financial monitoring systems powered by AI could be accessible to illegal organizations attempting to obscure criminal life with poorly recorded bank transactions. Furthermore, the presence of AI agents would allow illegal organizations to exploit trades and policies within their networks immediately after uploading.

6. Future Trends in AI

Advances in Artificial Intelligence (AI) are leading to a transformation of the current education systems, new opportunities for education and training, and new socio-economic parameters as part of an overall strategy for sustainability and inclusiveness. Adopting AI will require legislative and policy changes to ensure no one is left behind. World governments recognize the gifts of AI but pose a threat to jobs and even humanity. Research communities must address the fundamental science of AI applications for education, environmental understanding, healthcare, and sense of well-being and security. Schools will need to teach children how to use AI and keep them safe in an AI world.

With the rapid advancement of Artificial Intelligence (AI) technologies, it is essential to narrow the gap between the research community and industry in the field of AI. Discussions surround the demographic and industry adoption of AI and how both the public and private sectors are investing heavily in AI, including natural language

processing, self-driving vehicles, computer vision, and making use of big data. AI for education refers to the application of artificial intelligence technologies to benefit learning, assessment, and education. This report illustrates recent trends and major challenges in six areas: Research, Industry, Education, Educational Ecosystem, Policies and Regulations, and Equity.

Firstly, data science education will need to be prioritized due to the explosion of AI, machine learning, big data, etc. High stakes machine learning applications demand a workforce trained in probability, statistics, numerical analysis, algorithms, computer ethics, philosophy of AI, and more, drawing on neuro-psychological research, teaching epistemic tools for scrutinizing knowledge claims, bias identification, and data equity/politics. Secondly, it is important to promote interdisciplinary AI education. AI is inherently interdisciplinary, so efforts will need to be made to embed AI ethics within history and the humanities. Data and statistical literacy will need to be taught in mathematics courses. The formation of new fields such as computational biology illustrate the need to create domain-specific courses for students in STEM.

6.1. Emerging Technologies

The advent of artificial intelligence (AI) in the healthcare sector is gaining momentum as a key technology that can transform the healthcare industry and facilitate the emergence of next-gen healthcare services [1]. AI systems analyze large sets of data to develop algorithms and identify patterns that lead to predictions or recommendations for further actions. These services are mostly categorized as rule-based systems or based on the learning processes classified as supervised, semi-supervised, reinforcement, or unsupervised methods. Health care is a critical domain in which AI has been a subject of research for decades, especially in regard to applications such as financial investment, risk assessment, credit scoring, fraud detection, and various algorithm-based services in the capital market. AI techniques have been applied to various healthcare fields including smart health care, preventative health systems, and diagnosis/information exchange applications. In addition, algorithms and systems developed in non-health-care fields can also be applied to the health care area.

The AI-based transformation of the healthcare sector will include competitive negotiations, next-gen health insurance system and service, financial investment, and M&A prediction or investment risk assessment. In these areas of application, text-based learning models, signal processing methods, and dynamic pricing systems may be applicable, and these methods might be closely related to the AI financial insurance systems. Furthermore, since the healthcare sector has less liquidity and slower movements in markets compared to other sectors, AI-based forecasting and decision-support algorithms about market movement, investment opportunities, and related risks will need to be explored. AI techniques have been used in healthcare for more than 30 years, and related tools such as intelligent medical imaging tests, chatbots/virtual health assistants, and robotic and AI-based surgery systems are in service today.

6.2. Policy and Regulation Developments

AI policy development across healthcare, finance, and education sectors remained high-profile again this quarter. Several healthcare AI policy papers refocused debates by highlighting ethical and regulatory challenges in deploying new technologies. This included concerns about AI use in mental health, physician-assisted suicide, and reproduction, as well as the challenge of ensuring safety and effectiveness of AI in federally subsidized programs. In finance, consensus opinions began presenting practical recommendations for the responsible development and use of generative AI products. The SEC opted to delay drafting an AI-centric data security regulation. Education AI policy gained renewed attention around model governance, privacy and safety considerations for children, and approaches for AI talent. Viewpoints and editorials across all sectors began pushing discourse toward highlighting positive uses of generative AI and public interests raised by biases and unintentional social or economic harm. This quarter's normal development of high-profile policy events likely prevented bolder or more nuanced risk discussions, alongside concerns about AI chipped public trust in science.

Five new healthcare AI policy papers were published this quarter. Both the FDA and HHS published position statements refocusing discourse toward the ethical and regulatory challenges of deploying new AI technologies to maximize public benefit. This included considerations about AI use in mental health, physician-assisted suicide, and reproduction, along with the challenge of ensuring safety and effectiveness of AI-powered devices, products, and services in programs federally subsidized under Medicare or Medicaid. Additionally, preprint policy ideas to better address AI discrimination in medicine were shared, reviewing existing efforts through health equity, algorithmic discrimination, and more generally, systems approach.

7. Conclusion

The application of artificial intelligence (AI) within education, finance, and healthcare has been a source of exploration for researchers around the world. For education, AI technologies can be used to assist student learning and evaluate instructors, allowing students to engage in a new type of learning environment. Additionally, the automatic feedback loop of AIEd enrichment tools can help teachers identify strengths, weaknesses, and misalignment. However, there are important design and implementation issues such as a lack of educational content diversity, high initial and maintenance costs, a shortage of skilled personnel, and concerns about privacy and safety. Further longitudinal studies across diverse settings with more various populations are necessary to understand technology adoption more comprehensively.

In finance, AI technologies, specifically ML algorithms, have been identified as a source of efficiency gains over traditional mathematical-based models. In addition to transaction cost savings, AI algorithms have been used in both private and commercial settings to mine costly currency and equity trading data. Being able to analyze multiple variables and discover novel patterns makes AI approaches, specifically neural network-based architectures, advantageous to banks.

In healthcare, AI-based systems are being adopted for tasks like medical image analysis and diagnostics, and recently also for administrative tasks. There have been AI-based solutions that automate the invoicing process to improve efficiency, or virtual assistants that draft health records and automatically generate medical reports. However, research also shows that from a data governance and ethical perspective, administrative applications come with their own risks and pitfalls. AI solutions that interface with doctors' workflows raise concerns about trust, accountability, and liability regarding the decisions made by the AI system and their impact on clinicians' decision-making capacity. In contrast, AI solutions that are fully automated raise fears concerning a lack of accountability and the loss of jobs.

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Shifting Sparkle: The Relocation of Mumbai's Diamond Trade to Surat

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Shifting Sparkle: The Relocation of Mumbai's Diamond Trade to Surat

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Key Words: Diamond, Business, Mumbai, Surat, Workers, Relocation

Abstract

The Bharat Diamond Bourse (BDB) in Mumbai's Bandra-Kurla Complex (BKC) is now home to a number of large diamond firms. However, smaller traders cannot afford the hefty cost of office space at the BDB, with monthly fees ranging from ₹1 lakh to ₹1.5 lakh. As a result, many are choosing to move to the Mahidharpura and Varachha marketplaces in Surat, where similar office space is available for about ₹10,000 a month. Mumbai's problems are made worse by the 2% octroi on cut and polished diamonds, as well as other taxes levied by the Maharashtra government, such as local body tax and octroi. Nonetheless, Surat has experienced tremendous expansion in recent years as a result of numerous businesses moving their operations there because of reduced expenses and government subsidies. The development of the Surat Diamond Bourse, a huge trading center, has further reinforced Surat's role in the worldwide diamond business. In order to respond to the issue, "Will Mumbai's diamond business lose its sparkle?" this research study examines the magnitude of this move and the variables that are causing it. The goal of the study is to ascertain the extent to which the diamond trade is, in fact, moving from Mumbai to Surat using a quantitative technique, more precisely a percentage-based analysis.

Introduction:

India's diamond industry is a significant economic force, boasting a total value of nearly ₹70,000 crore. Six prominent diamond merchants wield considerable influence over this trade, employing highly competitive strategies. Most of these powerful individuals, such as Mehul Choksi, Mavji Bhai Patel, and Nirav Modi, are from Mumbai. Other important figures, such Russell Mehta, Ashok Gajera, and Dharmesh Shah, are based in various parts of India. Mumbai, a historic and economic center for various industries, has naturally attracted diamond merchants. The city's diamond business is currently valued at $43 billion, spread across Mumbai with over 2,500 offices and 45,000 active businesses. More than 50 major diamond companies, predominantly owned by Palanpuri Jains and Saurashtrian Patels, dominate the sector, controlling approximately

70% of Mumbai's diamond trade and generating an annual turnover of ₹2.6 lakh crore. Mumbai exported USD 1,673.56 million worth of cut and polished diamonds in September 2023, a 21.61% decrease from the year before. Kaushik Mehta, former chairman of the Gems and Jewellery Export Promotion Council, recognized the need for a complementary, parallel market to support Mumbai's diamond export trade. He suggested Surat as the ideal location, given its current role in processing a significant majority (10 out of 12) of the world's mined diamonds. Furthermore, he pointed out that Mumbai lacks a world-class display and distribution center, a function that Surat could effectively fulfill. By positioning Surat as a display and distribution hub alongside its existing polishing operations, Mehta believes India could attract global mining giants like Rio Tinto, Alrosa, and De Beers to establish a presence in the country.

Problem of the study:

In recent years, a notable trend has emerged: small and medium-sized diamond traders operating in Mumbai's Opera House area have begun relocating to Surat. This follows the relocation of several large diamond companies to the Bharat Diamond Bourse (BDB) in Bandra-Kurla Complex (BKC). The primary driver for this shift is the prohibitive cost of office space at the BDB, with monthly rents ranging from ₹1 lakh to ₹1.5 lakh, which smaller traders find unaffordable. Surat's Mahidharpura and Varachha markets offer a significantly more affordable alternative, with monthly rents around ₹10,000. Furthermore, Mumbai's diamond trade faces additional financial burdens due to the taxes levied by the Maharashtra government, such as octroi and local body tax etc. Surat, notably, does not impose such taxes. These factors suggest a gradual but discernible migration of the diamond business from Mumbai to Surat. This research study examines the extent and underlying causes of this relocation, addressing the central question: "Will Mumbai's diamond business lose its sparkle to Surat?" Specifically, the study explores the following key issues:

1. Is Mumbai becoming an unsustainable location for diamond merchants?
2. Is there a future for the diamond industry in Mumbai?
3. Is the diamond sector completely shifting to Surat?
4. What will be the impact on workers dependent on the Mumbai diamond trade?
5. How will this shift affect Mumbai's economic growth?

These important questions highlight the challenges facing Mumbai's diamond industry. This study examines the conditions and future prospects of diamond workers in both Mumbai and Surat, as well as the economic condition of the Mumbai after relocation of diamond businesses.

Review of Literature

Devesh Kapur (2010, p. 101) recounts the story of Kirtilal Mehta and his sons, who established Dimexon in Mumbai and, in 1975, secured a manufacturer's sight from the Diamond Trading Company (DTC), the sales division of De Beers. By 1981, the diamond industry experienced a downturn, forcing businesses to drastically reduce prices. This illustrates the cyclical nature of the diamond trade since the 1960s, characterized by periods of both growth and decline, and the resulting international migration, with some traders relocating to Antwerp to establish ventures like Eurostar Diamond. **Maritsa Poros (2011, p. 4)** further exemplifies this trend with the story a Jain diamond trader, Laxmi who moved from Mumbai to New York in the 1970s and built a successful international business. While the diamond and gemstone industry generates substantial profits globally, as pointed out by **Debdas Banerjee (2005, p. 35),** the workers who cut and polish these stones often endure exploitative conditions, earning meager wages and working in environments that can lead to severe health issues, including lung diseases and vision impairment.

Research gap: This review of existing literature reveals a significant research gap: the specific phenomenon of the recent exodus of diamond businesses from Mumbai to Surat. This migration has potentially profound economic and social consequences for both the workers involved and Mumbai's overall economy. This research paper addresses this gap by focusing specifically on these two key aspects: the impact on diamond workers and the implications for Mumbai's economic landscape.

Objectives of the study:

1. To analyze the economic conditions and challenges faced by Mumbai’s diamond industry.
2. To determine the nature of a diamond industry's relocation from Mumbai to Surat.
3. To identify and analyze the key factors driving the relocation of diamond businesses to Surat from Mumbai.
4. To assess the present working situations and future prospects of diamond workers affected by the industry's relocation.
5. To formulate recommendations for stakeholders

Hypothesis

Null Hypothesis (H0): The relocation of the diamond business does not have any significant impact on workers and the economy of Mumbai

Alternative Hypothesis (H1): The relocation of the diamond business have a significant impact on workers and the economy of Mumbai

Research Methodology:

Data Collection Methods: This study employed a mixed-methods approach. **Primary data** was collected through questionnaires administered to 40 artisan workers and shopkeepers within the Mumbai diamond industry, supplemented by interviews conducted with 10 families associated with the trade. **Secondary data** was gathered from publicly available sources, including newspapers, magazines, websites, and relevant articles.

Sample Size: The total sample size for this study comprised 50 respondents, consisting of 40 questionnaire participants (artisan workers and shopkeepers) and 10 families interviewed.

Statistical Analysis: The hypotheses formulated for this research will be tested using Regression and ANOVA (Analysis of Variance) statistical method.

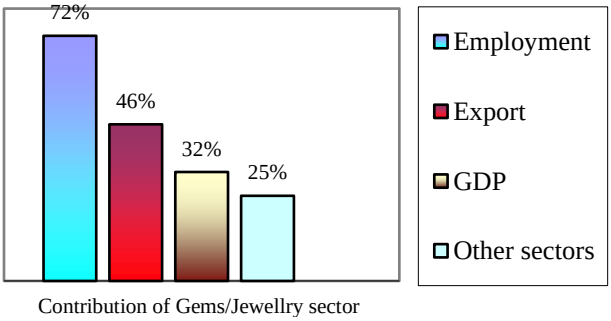
Limitations: This study has certain limitations. Its geographical scope is restricted to the Mumbai area. Furthermore, the accuracy and completeness of the data collected are contingent upon the respondents' willingness to provide truthful and complete information.

Facts and finding:

The rivalry between Mumbai and Surat for supremacy in the diamond trade intensified in October 2023 when Kiran Gems, a prominent company, relocated to the Surat Diamond Bourse (SDB). Their expansive new office in the SDB underscores Surat's ambition to become the industry's leading hub.". These traders cite several reasons for their inclination to relocate from Mumbai, including cumbersome customs procedures, exorbitant real estate prices, high diamond transport costs, expensive labor in Mumbai, and the concentration of skilled labor (cutters and polishers) in Surat. They also point to restrictive business policies implemented by the Maharashtra state government as a contributing factor to their decision to migrate. This migration has a detrimental impact on workers and their daily lives, as well as on Mumbai's overall economy. Workers may lose their jobs, leading to increased unemployment. This, in turn, impacts their families, their income, and their standard of living.

Following questions were asked to the respondents

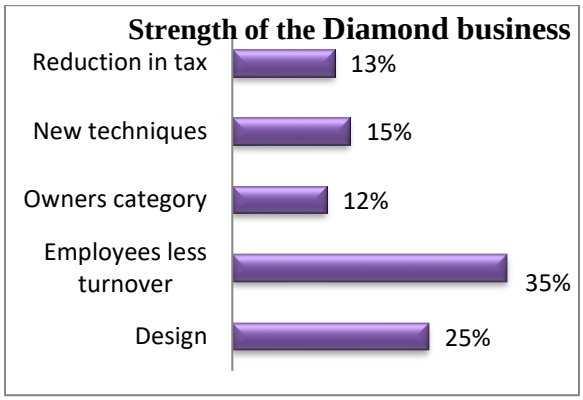
1. **Various contribution of the Diamond business for Mumbai region.**



Contribution of Gems/Jewellry sector

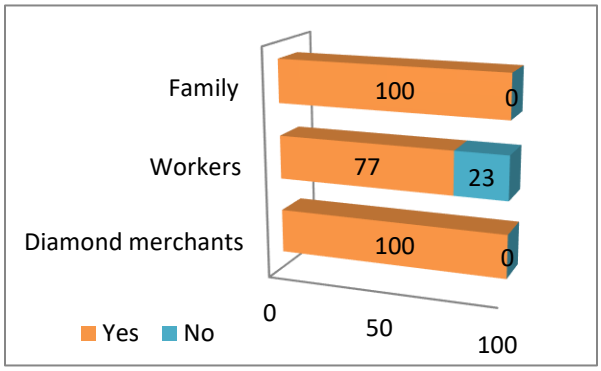
The diamond sector holds a vital position within the Indian economy, particularly in Mumbai, where it significantly contributes to both employment (72%) and export earnings (46%). Its economic importance extends beyond these headline figures, encompassing several key aspects: It contributes 32% to the city's GDP and 25% to other sectors.

2. The strength of the Diamond business



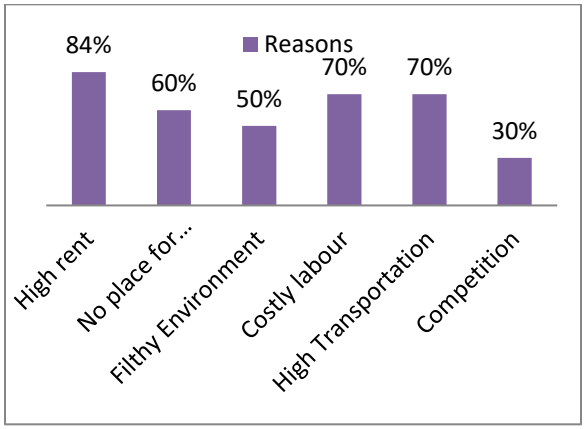
Among the respondents, 35% identified low employee turnover as a key strength of the diamond business. Another 25% highlighted the diverse range of designs and the expertise of diamond jewelry designers as a significant advantage. Twelve percent of respondents attributed the industry's success to the business acumen of owners from communities like the Jains and Patels. New technologies and tax reductions were cited by 15% and 13% of respondents, respectively, as contributing factors to the industry's strength.

3. Do you know about Shifting of diamond business from Mumbai to Surat?



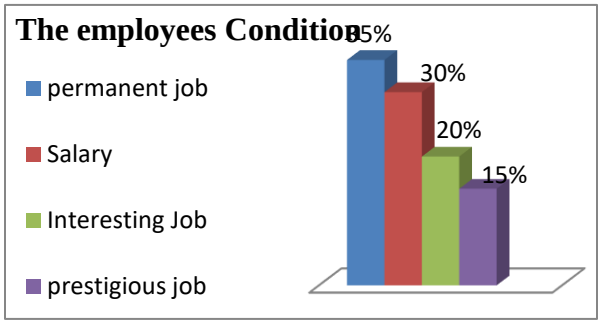
Diamond merchants and their families expressed doubt about a complete relocation, citing Mumbai's unique advantages, including access to substantial financing, diverse transportation options, and a robust wholesale market. Of the workers surveyed, 23% were unaware of the potential move, while the remaining 77% expressed concerns about its implications.

4. What would the reasons behind this shifting?



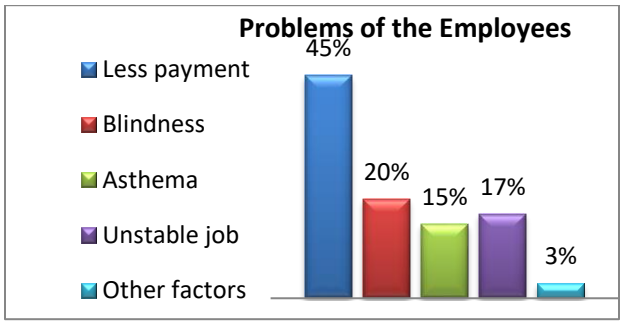
A survey revealed significant concerns regarding the potential relocation of the diamond business from Mumbai to Surat. 84% of respondents cited unaffordable rents as a major obstacle. 60% believed that Mumbai lacks space for further expansion. 50% pointed to overcrowded slums and a generally unclean environment as reasons for considering a move. A significant 70% felt that high labor and transportation costs in Mumbai would drive the relocation. Only 30% attributed the potential move to intense competition, primarily from larger businesses.

5. What is the condition of the diamond business employees?



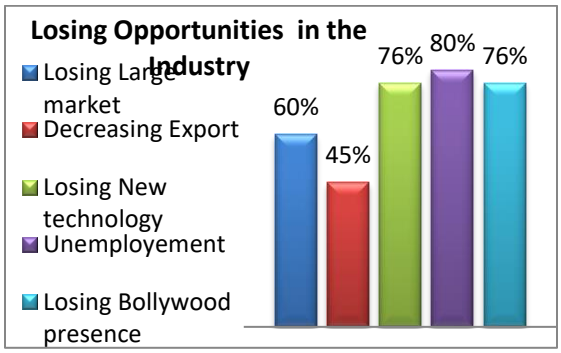
With only 35% holding permanent positions and a mere 30% satisfied with their salary and occasional bonuses, a significant portion of the workforce experiences job insecurity and financial instability. The low engagement figures are equally troubling, with only 20% expressing genuine interest in the business and work itself, and just 15% viewing it as a prestigious profession.

6. What are the problems of employees in the diamond business?



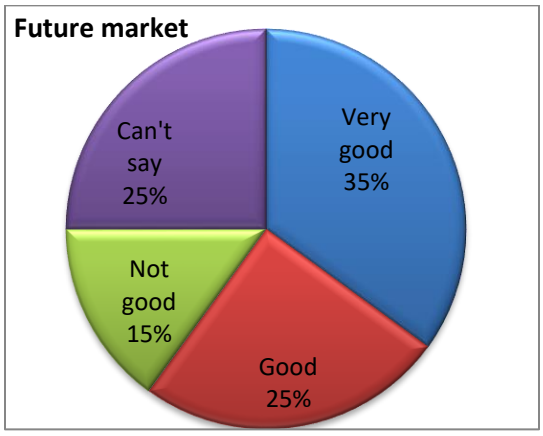
Respondents highlighted several key problems: 45% reported receiving low pay, a significant 35% (combining 20% and 15%) suffer from health issues like asthma and blindness, and 17% experience job instability. Further weaknesses within the industry include detrimental owner policies and the ongoing migration of the industry from Mumbai to Surat.

7. What are the Opportunities lose in future in this business?



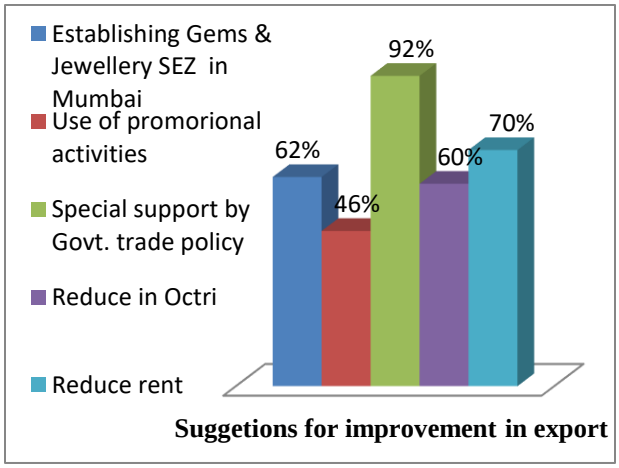
45% of respondents noted decreasing exports due to Mumbai's declining economic influence. A significant 60% expressed dissatisfaction with the shrinking market, while 76% cited the loss of access to new diamond polishing and cutting technologies. A large majority (80%) anticipate rising unemployment. 50% acknowledged a decline in customer interest. While 76% recognized the past potential of Bollywood and diamond jewelry exhibitions, they also acknowledged that this opportunity is now being lost.

8. What is the future of Diamond industry in Mumbai?



The Mumbai diamond industry also presents several opportunities. Respondents highlighted the potential for increased exports due to Mumbai's status as an economic hub (45%), the advantage of a large-scale market (60%), and the availability of new technologies for diamond polishing and cutting (76%). A significant 80% believe that positive changes in government policies are boosting the industry. Growing customer interest and the exposure provided by Bollywood and diamond jewelry exhibitions (76%) were also cited as valuable opportunities.

9. What are the preventive measures taken by the merchants for stop this relocation?



Respondents believe that several measures could improve the export potential of Indian gems and jewelry products. A strong majority (92%) advocate for supportive government policies specifically tailored for the Mumbai region, while 62% support the establishment of Gems & Jewellery Special Economic Zones (SEZs). 46% believe promotional activities would be beneficial, and a substantial 70% suggest reducing rents. Furthermore, 60% believe that reducing octroi (a local tax) could potentially reverse the industry's relocation trend.

Table 1

Sr. No.	Particulars	Yes	No
1	Do you think that no shifting from Mumbai	42	08
2	Do you thing that you will lose your job?	38	12
3	Is it reducing your income after relocation	45	05
4	Is it reducing economy of the Mumbai?	40	10
5	Are the suffer with lot of challenges after relocation?	36	14
7	Do you suffer with the education of child	45	05
8	is demand affected after shifting?	38	12

Table 2

Regression Statistics	
Multiple R	1
R Square	1
Adjusted R Square	1
Standard Error	1.44E-15
Observations	7

Table 3

ANOVA								
	Df	***SS***	***MS***	***F***	***Significance F***			
Regression	1	75.71428571	75.7142 9	3.65E+31	2.35492E-78			
Residual	5	1.03661E-29	2.07E-30					
Total	6	75.71428571						
	Coefficients	***Standard Error***	***t Stat***	***P-value***	***Lower 95%***	***Upper 95%***	***Lower 95.0%***	***Upper 95.0%***
Intercept	50	1.65239E-15	3.03E+16	7.48E-82	50	50	50	50
X Variable 1	-1	1.65476E-16	-6E+15	2.35E-78	-1	-1	-1	-1

- **Regression DF (Degrees of Freedom):** This is typically 1 in simple linear regression, indicating one independent variable in this model.
- **SS (Sum of Squares):** This represents the total variability in the data. In this case, the total variability is 75.71428571.

- **MS (Mean Square):** This is calculated as SS divided by DF. It represents the average variability in the data. Here, it's also 75.71429.
- **F-statistic:** This is a key metric in regression. It's calculated as the ratio of the variance explained by the model to the unexplained variance. A very high F-statistic suggests that the model explains a significant portion of the variance in the dependent variable. In this case, it's extremely high at 3.65E+31.
- **Significance F:** This is the p-value associated with your F-statistic. It represents the probability of observing the data if there were truly no relationship between the independent and dependent variables. A very low Significance F (like yours at 2.35429E-78) indicates strong evidence against the null hypothesis (that there's no relationship).
- **P-value:** Similar to Significance F, this is the probability of observing the data if the null hypothesis were true. Again, a very low p-value (7.48E-82) suggests strong evidence against the null hypothesis.

Interpreting the Results

- **Decision:** With a p-value and Significance F so incredibly low (much lower than the conventional threshold of 0.05), It would reject the null hypothesis that "The relocation of the diamond business does not have any significant impact on workers and the economy of Mumbai"

Conclusion: No diamond merchant can ignore Mumbai's established, large-scale market, the influence of Bollywood, superior transportation infrastructure, streamlined customs clearance, and ease of export. These are significant weaknesses for Surat. Consequently, despite the cost of real estate in Mumbai, few merchants are willing to relocate. The concentration of these vital resources and infrastructure in Mumbai makes it a difficult hub to abandon. Hence it concluded that The relocation of the diamond business have a significant impact on workers and the economy of Mumbai, there's a statistically significant relationship between the independent and dependent variables. In simpler terms, an independent variable is a strong predictor of the dependent variable.

Chairman, Gems and Jewellery Export Promotion Council, Vipul Shah told, "Nothing is impossible, but it is a long process of migrating the diamond industry from Mumbai to Surat. One can't ignore the importance of Mumbai as the financial capital of the country. Surat is practically a diamond manufacturing centre, but the non-existence of an international airport could be a big hurdle."(Source: Times of India)

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Enhancing Urban Waste Management Through Digital Twin Technology: Challenges, Solutions, and Stakeholder Engagement

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Enhancing Urban Waste Management Through Digital Twin Technology: Challenges, Solutions, and Stakeholder Engagement

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Abstract*—This paper explores the application of digital twin technology in urban waste management, highlighting its potential to transform traditional methods by providing real-time data and simulation capabilities. The study examines current waste management practices in Tshwane and identifies the integration of digital twins as a solution to optimize waste collection, improve container placement, and enhance operational efficiency. Key challenges addressed include stakeholder communication, data accuracy, security, and the need for advanced content moderation systems. The research emphasizes the importance of stakeholder engagement and the need for a multidisciplinary approach to implement and maintain digital twins effectively. Findings indicate that while digital twins offer significant benefits such as reduced operational costs, improved waste tracking, and enhanced decision-making, their successful implementation requires overcoming limitations related to data collection, security, and stakeholder alignment. The paper concludes that digital twins, combined with active citizen participation, can lead to more sustainable and efficient waste management systems, particularly in lower-income regions with limited technological resources.

I. Introduction

An Urban Digital Twin (UDT) represents a virtual model of specific physical assets within a city district or neighborhood, enabling the simulation and testing of scenarios tailored to city-specific parameters [1]. Unlike static 2D or 3D visualizations, UDTs dynamically represent the past, present, and potential future states of urban environments [2].

As a Decision Support System, a UDT aids urban planners and designers in assessing project impacts while fostering public participation in planning processes [3], [4]. While UDTs have addressed several urban challenges, including air quality [5], traffic management [6], and parking systems [7], key issues such as underground infrastructure, water distribution, and urban green spaces have been largely overlooked.

Strong waste (SW) the executives addresses another basic metropolitan test. Analysts feature the need to coordinate sensors into SW frameworks to elevate metropolitan maintainability because of its significant effect on metropolitan expectations for everyday comforts [8]. As per the World Bank, worldwide metropolitan strong waste age in 2020 arrived at 2.24 billion metric tons, with roughly 33% excess unmanaged in a naturally solid way [9], [10]. Regardless of its importance, the Unified Countries has not expressly perceived strong waste administration (SWM) as a center Maintainable Improvement Objective (SDG), which might frustrate its prioritization in strategy plans [11]. In any case, SWM is naturally connected to 12 of the 17 SDGs, eminently SDGs 11, 12, and 13, highlighting its significance for exhaustive metropolitan manageability [12].

Previous research has employed geospatial data, including land use patterns, road networks, and street gradients [13], [14], [15], alongside computer vision for container identification [16], to enhance waste collection systems. However, a comprehensive approach that integrates 3D waste generation estimates, citizen-reported container locations, and optimized collection routes remains unexplored.

Building on prior work presented at The 18th 3DGeoInfo Conference [17], this study examines the integration of UDT technology with SWM systems to tackle challenges such as waste collection inefficiencies, service irregularities, and illegal dumping in urban settings.

his paper acquaints a UDT model planned with reenact holder based squander age and improve vehicle steering iteratively in light of anticipated squander volumes. The review centers around the Hatfield and Hillcrest areas in Tshwane, South Africa, exhibiting the principal South African Advanced Twin for SWM. This model use chipped in geographic data, 3D LiDAR city filters, 3D waste age estimations, and open geospatial datasets, offering a replicable model for different districts.

The structure of this research is as follows: first, I outline the local context and societal challenges driving this study. Second, I review current practices and academic progress in waste monitoring, route optimization, and stakeholder analysis. Third, I describe the study area, datasets, UDT development framework, and stakeholder assessment methodology. Fourth, I present the UDT prototype and its findings, emphasizing the benefits of the Digital Twin approach. Fifth, I discuss the results, analyzing the UDT based on the Gemini Principles. Lastly, I conclude by addressing the research questions that guided this study.

II. Literature Review

A. Geographical Context

In 2017, South Africa produced roughly 30.5 million tons of strong waste across private, business, and institutional areas [18], [19]. With a populace of 59.9 million [20], the country's strong waste age rate remains at 1.48 kg per capita each day, incredible the sub-Saharan normal of 0.46 kg/capita-day and lining up with the upper quartile of Europe and Focal Asia

at 1.53 kg/capita-day [10]. This represents a huge test to the country's waste administration frameworks.

In the City of Tshwane (Bunk), South Africa's regulatory capital, abnormalities in metropolitan assistance conveyance have set off fights. Occupants request fair and steady administrations, much the same as those gave to generally advantaged regions during politically-sanctioned racial segregation [21]. After a significant civil strike in 2023 disturbed squander expulsion, the Bunk reestablished its assortment plan, in spite of the fact that difficulties continue. Unlawful unloading stays a basic concern, presenting wellbeing gambles and expecting occupants to report uncollected receptacles effectively [22], [23], [24].

Waste generation in Tshwane exceeds the national average, with per capita landfill waste estimated at 1.95 kg/day [25]. The city has identified over 600 illegal dumping hotspots and proposed interventions such as container allocation, illegal site monitoring, and intensive street cleanups [26]. Research suggests that transitioning from static to dynamic waste management systems, which adapt to waste generation patterns, incorporate real-time monitoring, and optimize collection routes, can address these challenges effectively [27], [13], [28]. Furthermore, integrating citizen participation and strong governmental support is essential for sustainable waste management [29].

B. Solid Waste Generation

Solid waste (SW) generation has received limited attention in the literature [30]. Researchers typically estimate total waste generation by calculating the mass of collected waste, assessing its density, and dividing the average by the total served population [31]. Factors such as population density, household size [32], age demographics [33], living area size [34], life expectancy [35], education levels [36], income [36], [10], and business scale [34] have been analyzed to identify predictors of waste generation. However, these studies often focus on broader scales (country or provincial levels) rather than direct generators like households [37].

Research at household scales has demonstrated better predictive accuracy for waste generation [38]. For residential areas, population density is a critical factor in estimating waste generation. However, estimating non-residential waste generation involves greater complexity. Methods such as those by [39], which consider business size and economic activity, provide useful approximations, but these models are limited to specific local and temporal conditions.

C. Solid Waste Monitoring

Monitoring solid waste (SW) containers has traditionally relied on surveys [40], manual road-by-road data gathering [41], or information provided by municipal authorities [13]. Modern techniques utilize video footage from collection vehicles, analyzed with computer vision, to pinpoint container locations and categorize their types [16]. While these approaches determine *where* waste needs to be collected, they do not address the *fullness* or saturation levels of the containers.

Various sensors have been developed to monitor container fullness, including ultrasonic sensors [42], [43], [44], [45], [46], weight sensors [47], combined sensor systems [48], [49], and infrared sensors [50]. While ultrasonic sensors have shown promise, most studies tested prototypes on a limited scale, often under controlled conditions, and lacked scalability for real-world urban environments. Simulations by [48] demonstrated that sensor data could predict daily waste generation per container.

Some studies, such as those by [47] and [49], tested ultrasonic sensors outdoors, including controlled residential and commercial scenarios in Shanghai, China. However, these studies relied on citizen participation, potentially introducing bias in waste volume data. While they proposed integrating route optimization with real-time monitoring, practical implementation remains limited.

In Utrecht, Netherlands, ultrasonic sensors have been integrated with daily collection route optimization based on container fullness, reducing vehicle requirements and preventing overflows [51]. This highlights the value of combining sensor-based monitoring with dynamic route planning for efficient waste management.

D. Routing Optimization Using Geospatial Data

Solid waste (SW) collection is an inverse logistics problem where items are gathered instead of delivered. Optimizing waste collection routes directly enhances the efficiency of SW management systems. Key factors influencing route optimization include the number of collection points, loading and unloading times, distances between collection points and landfills, and the overall travel distance among collection points [52].

Route optimization is a well-researched area with various methodologies. Analytical approaches leverage mathematical models to enhance route efficiency. For instance, studies show that optimizing road-length segments reduces costs, energy consumption, and vehicle operation times, while improving fuel efficiency expands coverage areas [53], [54], [14]. Agent-based models simulate SW generation and sequential container collection, focusing on shortest-path routes to maximize system performance and reduce costs [55]. Geospatial techniques utilize network analysis to optimize routes by integrating data on road networks, topography, and collection times [56], [57], [15]. Hybrid approaches combine mathematical modeling, traffic data, and geospatial information, often validated through agent-based simulations [58].

All these approaches share similar limitations: 1) predefined start and end locations (e.g., depots or disposal sites), 2) ensuring each container is assigned to a single route, 3) adhering to vehicle capacity restrictions, and 4) following local traffic rules.

Collectively, these techniques have shown improvements in reducing travel time, fuel usage, and labor expenses. Nevertheless, only [55] incorporates real-time route adjustments influenced by dynamic variables like container fill levels or varying waste generation rates. Implementing such adaptability

would necessitate continuous data collection and frequent re-optimization to address localized demands and daily changes in waste patterns, rather than relying on static schedules.

E. Stakeholder Identification and Classification

SW management involves interconnected technological, political, environmental, and socio-economic dimensions, requiring engagement from diverse stakeholders [59]. Understanding stakeholders' roles, concerns, and constraints is crucial for enhancing participation, effectiveness, and the pursuit of sustainable solutions [60], [61]. For urban waste management challenges, particularly when leveraging Urban Digital Twin (UDT) technology, stakeholder alignment is critical to address complex, interdependent issues. A comprehensive understanding of stakeholder relationships, interests, and context ensures balanced decision-making [62].

Stakeholder salience theory [63], [64] offers a framework for categorizing stakeholders based on *Power*, *Urgency*, *Legitimacy*, and *Proximity*. This framework defines 16 stakeholder typologies, aiding in distinguishing roles and priorities. Stakeholders classified as definitive or crucial hold the most significant influence over project success and are central to managing and operating waste systems effectively (see Figure 1).

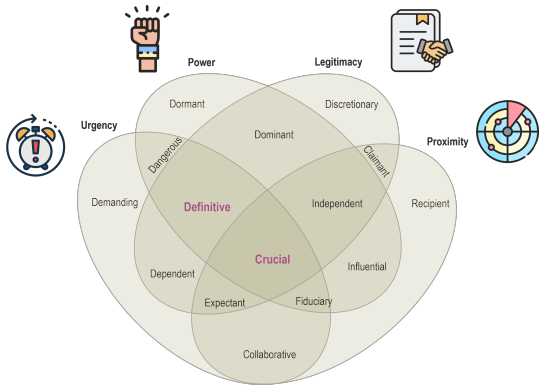


Figure 1: Classification of stakeholders based on four attributes and their interconnections. Source: (Shafique & Gabriel, 2022)

This salience framework lacks a well-defined approach for identifying the ownership of individual attributes or the relationships among stakeholders. As a result, any classification of stakeholders inevitably introduces biases in the interpretation of their typologies and roles.

F. Research Gap and Contribution

As highlighted earlier, South Africa, particularly the City of Tshwane (CoT), faces critical challenges in solid waste management, including high waste generation, irregular collection schedules, and illegal dumping. Addressing these issues requires transitioning from static waste management models to dynamic systems that incorporate stakeholder engagement, continuous monitoring, and real-time optimization of waste collection processes.

Existing waste monitoring approaches have seen limited large-scale application in cities with constrained resources. Although progress has been made in optimizing vehicle routing for waste collection, most solutions lack the flexibility to adjust to changing local waste generation trends over time.

This research proposes and evaluates a prototype Digital Twin (DT) model to enhance Solid Waste Management (SWM) within the City of Things (CoT) framework. The model addresses challenges such as container allocation, inconsistent collection services, and resource inefficiencies by simulating waste generation patterns and improving route optimization. The scalable design offers practical solutions for Sub-Saharan African cities dealing with similar SWM issues.

III. Methodology

The creation of an Urban Digital Twin (UDT) follows a structured framework comprising data collection, stakeholder analysis, 3D city modeling, waste production estimation, and route optimization for waste collection. The process concludes with an evaluation of the system's performance and scalability.

A. Study Area Description

The research focuses on a 9.45 km^2 area, including Hatfield and Hillcrest in Pretoria, South Africa. This area features mixed land uses, including residential zones, agricultural plots, and the University of Pretoria campuses. It also encompasses the Hatfield City Improvement District (CID), which manages urban services such as waste management and public safety (see Figure 2). The CID is funded through municipal levies and operates as a collaborative urban management entity [65].

B. Data Integration and Geospatial Resources

This study utilizes a range of geospatial data sources, summarized in Table I. Key datasets include LIDAR scans, road networks, and aerial imagery. All datasets were standardized to the WGS 1984 coordinate system (EPSG:4326), with calculations conducted using Hartebeesthoek94 / Lo29 (EPSG:2053).

C. Urban Waste Management Digital Twin Design

The UDT design process incorporates digital modeling, waste prediction, route optimization, and system integration. Figure 3 illustrates the workflow. The system dynamically simulates waste generation and optimizes collection routes to enhance efficiency and reduce manual intervention.

1) Stakeholder Engagement: Stakeholder identification was achieved through participatory workshops at the University of Pretoria, focusing on local waste management challenges. Transcriptions of discussions were anonymized and analyzed following the framework of [67]. The analysis categorized stakeholders by *Power*, *Urgency*, *Legitimacy*, and *Proximity*, using an adapted salience model [63], [64].

To reduce the impact of subjectivity and provide a more systematic approach to classification, an Analytical Hierarchical Process (AHP) was employed for pairwise comparisons [68], [69]. Stakeholders were assessed on a nine-point scale, comparing stakeholder i with stakeholder j (as shown in Table II).



Figure 2: Geographical Scope of the Hatfield UDT.

Table I: Geospatial Datasets Utilized

Dataset	Description	Type	Date	Projection	Source
LIDAR Scans	Aerial laser data with 0.6m spacing	LAS	June 2019	EPSG:4148	CoT GIS
Building Footprints	Structures with usage attributes	Vector Polygons	Mar 2023	EPSG:4326	OpenStreetMap
Road Network	Road details, including type and direction	Vector Lines	Mar 2023	EPSG:2053	CoT GIS Portal
Aerial Imagery	High-resolution UAV imagery (0.1m)	Raster	June 2018	EPSG:2053	CoT GIS Portal
Land Zoning	Land-use classifications	Vector Polygons	Mar 2023	EPSG:2053	CoT GIS Portal
Population Data	Residential density grids (100m cells)	Raster	June 2022	EPSG:54009	GHS Population Grid [66]
Waste Containers	Locations of waste bins and dumping sites	Vector Points	Mar 2023	EPSG:4326	Field Data Collection [17]

A comparison matrix was constructed, and the values were normalized. The final eigenvector values were used to classify stakeholders according to the salience model. Based on these results, stakeholders classified as *Definitive* and *Crucial* were identified as the primary end-users of the Urban Digital Twin (UDT).

2) System Architecture and Data Integration: The integration of system components into a unified Digital Twin followed the architecture depicted in Figure 4. This process involved gathering citizen-collected data through the Epicollect5 API, exporting the data to a JSON file, filtering and transforming the data into a CSV format, and converting the point layer for visualizing the solid waste (SW) containers. The assignment of containers to buildings was carried out using a nearest-neighbor function. The optimization of collection vehicle routes was performed with the ArcPy routing module, which generated the most efficient paths and pickup sequences. These results were then displayed in an online operational dashboard, which updated every 6 seconds. The dashboard included key descriptive statistics and critical requirements identified by

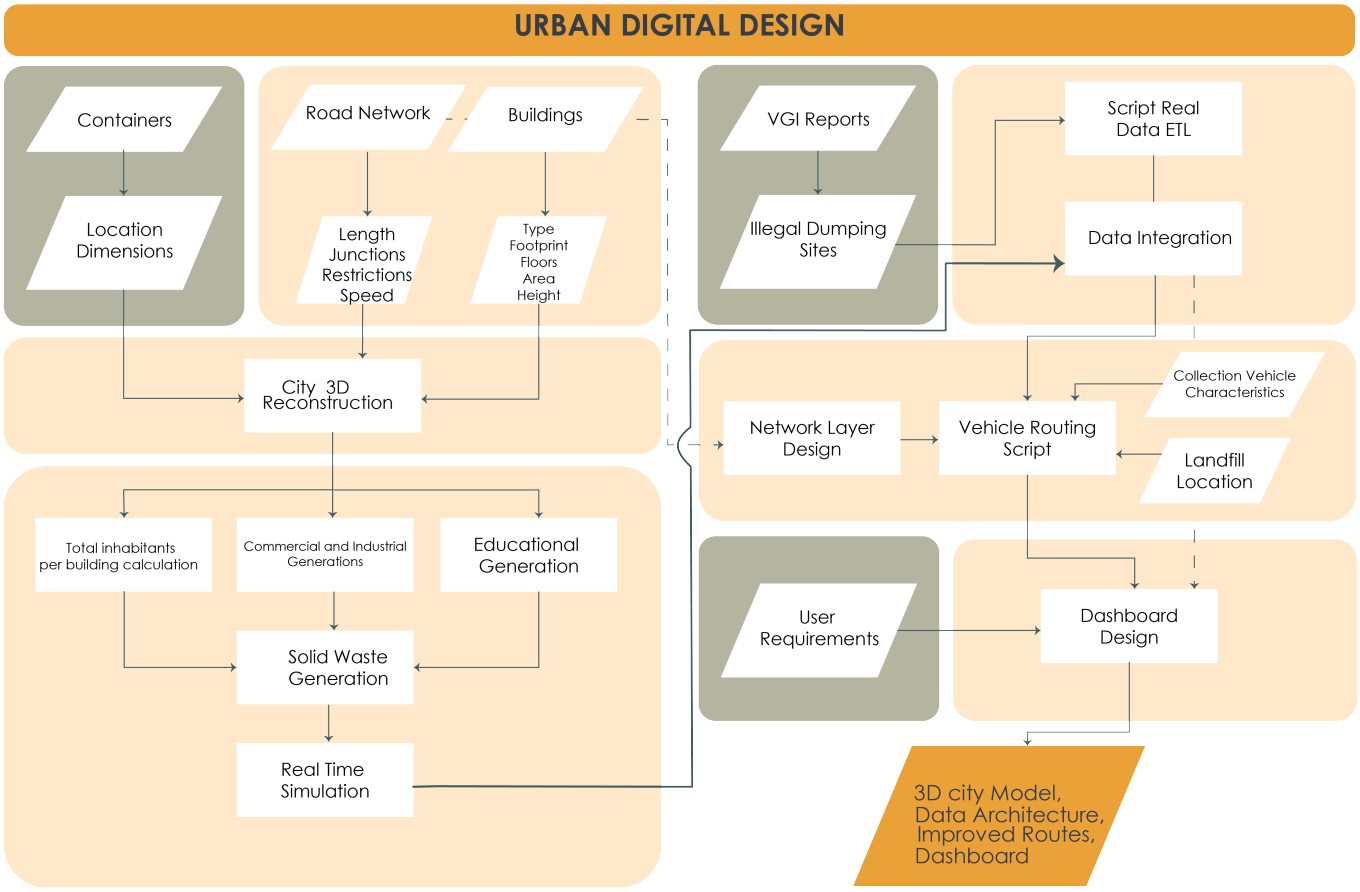


Figure 3: Workflow for UDT Development.

Table II: Analytical Hierarchical Process Pairwise Comparison. Source: (T. L. Saaty, 1990)

Relative Importance	Definition – X: Power, Urgency, Legitimacy, Proximity
1	*i* and *j* are equally important with respect to X
3	*i* has moderate importance over *j* for X
5	*i* has significant importance over *j* for X
7	*i* has very strong importance over *j* for X
9	*i* has extreme importance over *j* for X
2,4,6,8	Intermediate values between two adjacent judgments
Reciprocal	Inverse relation (e.g., if *j* has strong X over *i*, the value would be 1/3)

stakeholders.

The entire system was implemented on a local computer setup featuring 28 GB of RAM, an 8-core CPU with 16 threads (3.8 GHz), and a 4 GB dedicated GPU. Additionally, a cloud-based system was used with an ArcGIS server, equipped with 64 GB of RAM, an 8-core CPU (2.1 GHz), 16 threads, but without a dedicated GPU.

3) Solid Waste Generation Estimation: The estimation of residential population and corresponding waste generation was based on the Global Human Settlement Population Layer [66], which offers 100m resolution data. Population density was derived by analyzing the total floor area of residential buildings within each polygon. This value was then used to calculate the estimated number of residents per building. Multiplying this estimate by a standard waste generation factor allowed me to compute the daily waste output for each residential structure.

Non-residential buildings were classified into four categories based on their expected waste generation rates, as shown in Table III. The highest waste production rates for each building type, as outlined by [39], were used for the calculations, considering the limitations in waste production data specific to various building types and commercial activities.

For each building and its nearest waste container, I used a direct distance approach to approximate the likely deposition and collection points for waste. Containers were assumed to have a density of 600 kg/m³, as per estimates from the local waste collection service. Waste production for each location was simulated using a random number generator, scaled to represent a fraction (1/24th) of the total daily waste output, with a maximum deviation of 20% in waste volume.

4) Optimized Collection Route Calculation: To determine the most efficient collection routes, I utilized a Capacitated Vehicle Routing Problem (CVRP) solver [70]. This model incorporates several factors, including the positions of containers,

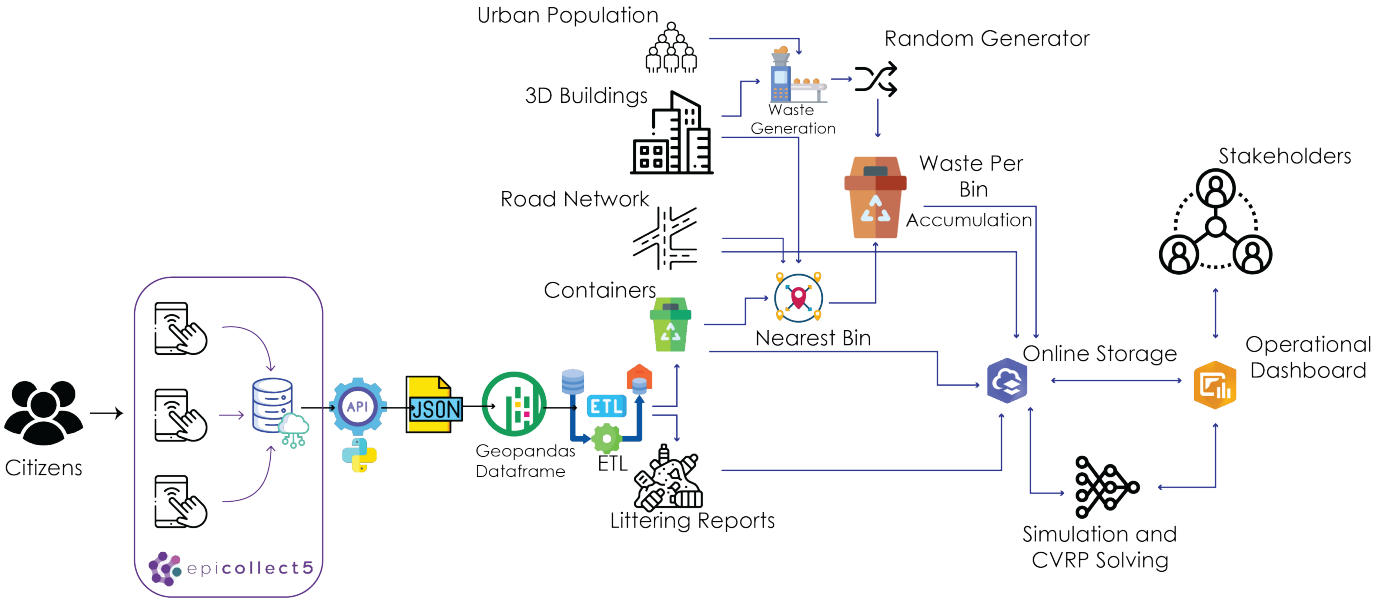


Figure 4: Architecture of the Waste Digital Twin

Table III: Categories of buildings, their related commercial activities, and corresponding waste generation rates. Source: adapted from Karadimas & Loumos, 2008.

Category	Commercial Activity Type	Waste Generation $(kg/m^2 - d)$
A	Supermarkets, bakeries, restaurants, grocery stores, greengroceries, fish stores, fast food outlets, bars, pubs, clubs, cafes.	0.419
B	Butcher stores, patisseries, hair salons, wine vaults, florists, garages, pizzerias.	0.225
C	Theatres, churches, schools, bookstores, barbershops, traditional cafes, pharmacies, post offices, lingerie stores.	0.124
D	Embassies, offices, insurance companies, chapels, betting shops, tutoring centers, shoe stores, clothing stores, jewelry shops, video rental stores.	0.024

their fill levels, and vehicle capacity limitations.

The road network data was first classified based on road types (residential, highway, road-link) and speed limits. I then created a network analysis layer to define the edges and nodes, with travel times being calculated based on segment lengths and maximum speed limits. Containers that were more than 75% full were included in the network as prioritized collection points.

The analysis defined start and end conditions, and waste accumulation simulations were performed at regular intervals (every 6 iterations), excluding the 24th hour to account for non-operational periods. The resulting optimal route was calculated using an Origin-Destination (OD) matrix to minimize the distance between collection points and the landfill site, optimizing vehicle movement using a Tabu Search heuristic [70].

After each iteration, waste containers were reset, and any containers not collected continued to accumulate waste until the defined threshold was reached. New routes were generated as needed to ensure memory efficiency and prevent overload during computations.

D. Stakeholder Evaluation

The creation of the UDT occurred between January and June 2023. A prototype demonstration was organized in July 2023, where 21 voluntary participants were introduced to the UDT dashboard and its interactive features. The session included a comprehensive presentation on the entire UDT development journey.

To evaluate the user experience, participants completed a survey utilizing a five-point Likert scale. The survey aimed to measure user satisfaction, system usability, and perceived effectiveness, drawing on established methods by [71] and Pelzer's added value framework [72] (refer to Figure 5). In addition to this, the UDT was assessed according to the three fundamental principles of purpose, trust, and function, as outlined by the Gemini Principles [73], which are visualized in Figure 6.

IV. Results

A. Current Waste Management Practices

According to the 2018 Gauteng Community Survey [74], the City of Tshwane (CoT) had a population of 2,921,488 in 2011, which increased to 3,275,152 by 2016, reflecting an annual growth rate of 2.28%. Extrapolating this trend, the estimated population for 2023 is approximately 3,835,010. The 2011 census recorded an urbanization rate of 92.3% [75], suggesting that by 2023, around 3,539,714 people will live in urban areas. However, the 2022/2023 Census by Statistics South Africa

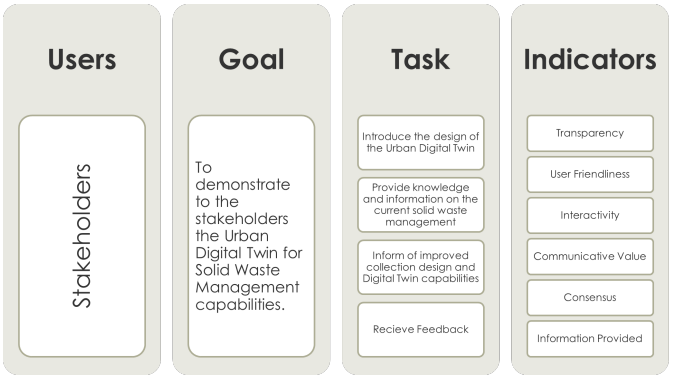


Figure 5: Framework for Assessment. Source: adapted from (Aguilar et al., 2021; Ballatore et al., 2020; Pelzer et al., 2014)

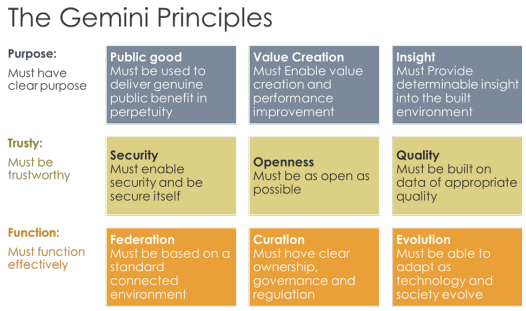


Figure 6: Digital Twins Gemini Principles. Source: (Bolton A & Schooling, 2018)

revised the overall population estimate to 4,040,315, although specific urban-rural breakdowns were not provided [76]. With an average waste generation of 1.95 kg per person per day [25], this translates to a total daily waste production of 6,902.44 tons across all sectors.

According to stakeholder feedback, municipal waste collection is conducted weekly using compactor trucks with a capacity of $18m^3$, each operating at a fuel efficiency of 4 km per liter. Each neighborhood is assigned a specific collection day, and the service is adapted to the types of properties and population density within those areas. Restaurants, due to their higher waste output, require daily waste collection, typically provided by private waste companies. In addition, municipal foot workers handle litter collection in public spaces, gathering trash manually and moving it to designated pick-up points for collection trucks. These efforts are carried out flexibly, without set schedules.

The Hatfield City Improvement District (CID) complements the municipality's waste management efforts with 16 foot workers and a truck. Their responsibilities include morning litter collection (from 7 AM to 11 AM) within small areas (1 to 1.5 blocks), followed by afternoon tasks such as tree pruning and organic waste removal. During special events or in busy commercial areas, the team prioritizes cleaning event locations. Private student housing, which accommodates around 30,000 students, manages its waste independently using smaller vehicles.

Waste collected from various areas is transported to one of the city's five municipal landfills, with each collection route directed to the closest landfill. For the Hatfield region, waste is taken to the Hatherley Municipal Dumping Site (28.407°E, 25.741°S). At the landfills, trucks unload their waste under the supervision of staff, with compaction occurring when necessary. These sites are also accessible to the public for disposal of materials such as construction debris, old appliances, and organic waste.

Through engagement with stakeholders and academic workshops, 15 key stakeholders were identified. The transcripts from these discussions were analyzed and categorized using four pairwise comparison matrices based on the attributes of *Power*, *Urgency*, *Legitimacy*, and *Proximity*. The resulting stakeholder typologies are summarized in Table IV.

Using the modified salience model, the CID and Ward Councilors emerged as *essential* stakeholders, scoring highly across all evaluated attributes. The municipality, classified as a *core* stakeholder, demonstrated strong performance in three attributes but ranked lower in terms of *proximity*. These three stakeholder groups, identified as primary users of the UDT system, were selected based on this analysis. The distribution of all stakeholders across the 16 typologies is illustrated in Figure 7.

Through consultations with stakeholders, a total of 32 key requirements were identified to enhance solid waste management. Among these, the most emphasized goals were "achieving zero waste" and "evaluating environmental impacts." These requirements were classified into three main categories: Strategic, Performance, and Operational. Due to the *urgency* expressed by both *essential* and *core* stakeholders, as well as limitations such as time constraints, resource availability, and the exclusion of external data not within the scope of the study, 17 requirements were excluded from the final design of the UDT. The remaining 15 prioritized requirements are listed in Table V.

B. Analysis of Solid Waste Generation

Each building was assigned to the nearest waste container, as shown in Figure 8. The maximum distance between a building and its designated container is 881.80 meters, which corresponds to an estimated walking time of 14 minutes, assuming an average walking speed of 1 meter per second. This longest distance is observed in the industrial park located in the eastern section of the study area, which was not accessible during data collection. It is possible that closer containers are present in the vicinity, or that certain containers are located within the industrial premises. Excluding these areas, the furthest distance between a building and a container reduces to 427.40 meters, equivalent to roughly 7.1 minutes on foot. The average distance between a building and its assigned container is 90.55 meters. For non-residential buildings, the average distance is slightly shorter, at 86.08 meters, with a median of 72.51 meters and a standard deviation of 58.16 meters. The shortest recorded distance is 2.51 meters. A visual

Table IV: Attributes and Typologies of Stakeholders. The percentage values represent the calculated weight for each attribute. Bold numbers highlight the highest weight for each attribute, while blue numbers represent the lowest weight. Stakeholder typologies marked in purple are those identified as the primary focus for meeting user requirements.

Stakeholder	Power	Urgency	Legitimacy	Proximity	Typology
Business and Offices	3.458	8.235	9.186	11.990	**Expectant**
Collection Companies	4.405	4.362	10.700	7.752	**Claimant**
Department of Forestry Fisheries and Environment	**27.949**	2.977	6.804	0.942	**Dominant**
Improvement District	8.740	**15.333**	9.168	9.306	**Crucial**
Industrial Parks	4.215	8.722	8.453	7.657	**Expectant**
Landfill Operators	7.830	2.304	2.245	2.817	**Dormant**
Municipality	18.560	13.637	10.394	4.071	**Definitive**
Real State Agencies	6.148	3.942	3.909	3.401	**Dormant**
Residents	4.572	11.305	**14.711**	**19.654**	**Expectant**
University Institution	5.699	12.589	10.738	7.313	**Expectant**
Ward councillor	7.020	14.911	11.017	11.112	**Crucial**
Waste picker	1.404	1.682	2.676	13.985	**Recipient**

Table V: Consolidated Requirements for the Waste Management Digital Twin.

Category	Elements
Strategic	Identification of Polluters Scalability for National Application Alignment with SDG Targets (MSW Generated Tons/day) Waste Source Identification
Performance	Optimal Placement of Containers Total Waste Generation Fuel Consumption of Collection Trucks Waste Generation Heatmaps
Operational	Container Capacity Levels Container Geolocation Efficient Waste Collection Routes Real-time Waste Generation Monitoring Simple, User-friendly Design Visualization for All Users, Including Those with Low Literacy

representation of the distribution of these distances can be found in Figure 9.

Residential structures generate waste amounts ranging from 0 kg/day to 1,575.60 kg/day, with an average waste production of 11.19 kg/day per building. Due to the methods used to estimate the number of residents per building and the low population density in the 100x100m grid cells, 662 buildings (31.95%) were found to have no residents, and thus, they do not contribute to waste production. Despite these estimation limitations, the total daily waste generated by residential buildings is 23.12 tons.

For non-residential buildings, Category D has the highest number of structures, as illustrated in Figure 10 and Table VI. However, Category C, which includes the sports stadium, produces the highest daily waste, amounting to 251.81 tons. Due to the stadium's event-based operations and its substantial waste generation, it was excluded from the optimized daily collection schedules. The absence of a dedicated container and the large volume of waste generated could otherwise interfere with standard collection procedures. Category A, consisting of just 73 buildings, contributes an estimated 149.83 tons of waste daily.

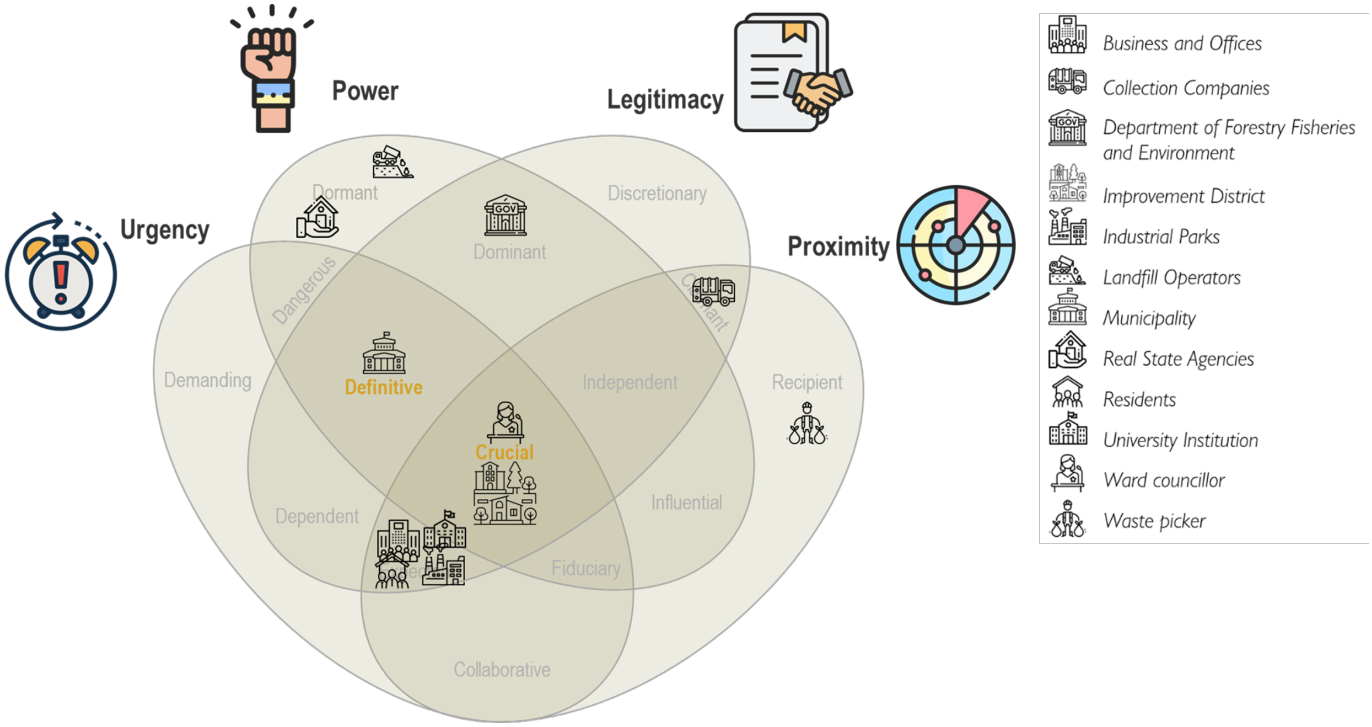


Figure 7: Stakeholder typology classification for the Waste Management Digital Twin.

Educational facilities are the most significant contributors to the total waste generated, producing 198.51 tons/day, accounting for 42.64% of the total waste. Business and commercial properties follow, generating 170 tons/day, which is 36.58% of the total. Notable individual waste producers include the sports stadium (41.72 tons/day), two shopping centers (41.10 and 17.71 tons/day, respectively), and the Information Technology Building of the University of Pretoria (8.08 tons/day).

Table VI: Estimated Daily Waste Production by Building Type

Building Type	Total Waste Production (kg/d)	Maximum per Building (kg/d)	Minimum per Building (kg/d)	Mean (kg/d)	Standard Deviation
A	149,828.77	41,103.38	27.72	2,052.45	5,301.89
B	14,169.03	1,531.37	5.00	382.95	425.22
C	251,811.20	41,727.28	1.16	293.14	1,578.39
D	26,581.51	2,462.11	0.17	28.99	106.64
TOTAL	442,390.52	41,727.28	0.17	234.57	1,538.57

C. Hourly Solid Waste Generation Simulation

Using simulated hourly waste production for each building, container statuses were monitored throughout the day to determine optimal collection routes (Figure 11). Results show that 18 containers are already full at the start of the first hour, highlighting inefficient capacity utilization and the need for adjustments. By the sixth hour, when collections are scheduled, 116 containers collectively hold 56.5 tons of waste. Randomized waste generation in the simulation creates variability in results, but certain hotspots—such as areas around the stadium, university campus, and train station stops—consistently exhibit high waste accumulation, necessitating frequent collections to avoid overflow.

D. Optimized Waste Collection Routes

The analyzed road network comprises 2,792 edges, with speed limits varying between 40 km/h in residential areas and 120 km/h on high-speed roads. Of these, 1,572 edges (56.30%) are unidirectional, primarily within the central study area and corresponding to local streets, while bidirectional edges dominate peripheral and arterial roads.

Simulated waste collection routes, illustrated in Figure 12, were generated alongside detailed navigation paths (Figure 13). Over multiple simulation runs, trucks followed varying routes, with certain areas revisited frequently due to recurring waste overflow (Figure 15), consistent with earlier waste production patterns.

The number of containers collected per route ranged from 112 to 213, requiring trucks to visit the landfill up to four times daily to empty all containers. For longer collection intervals (6–12 hours), trucks made up to nine landfill trips. On average, a 6-hour collection period took 5 hours and 16 minutes, while a 12-hour period extended to 10 hours and 57 minutes. The average route distance was 236.28 km, incurring a cost of approximately 1,327 ZAR (69.70 USD) and producing 2.73 tons of CO_2 emissions per route, based on an emission rate of 11.59 kg/km [77].

E. Dashboard Layout

A central control panel was designed to present the core features of the Urban Waste Management Digital Twin (UDT).

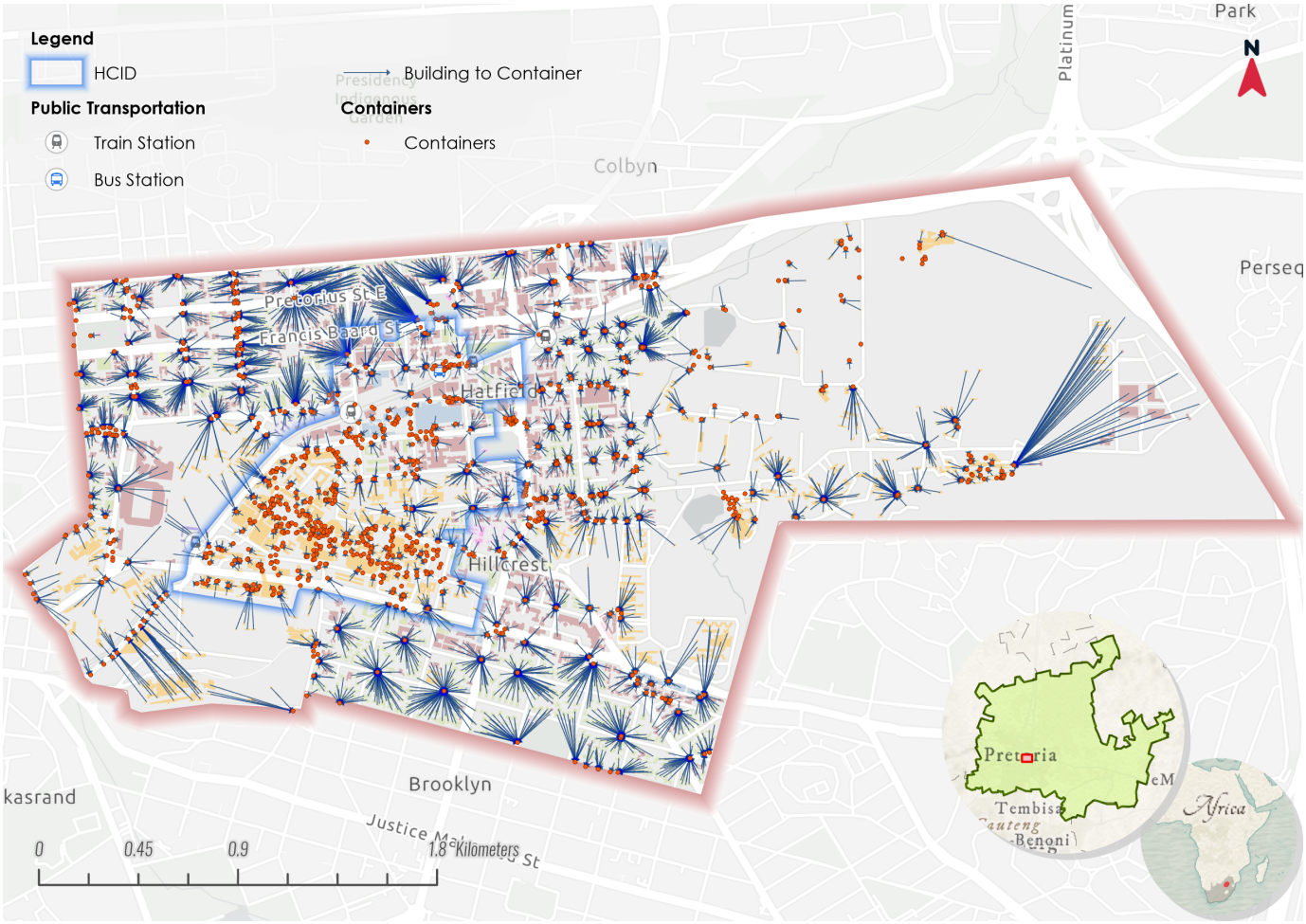


Figure 8: Assignment of buildings to their nearest waste containers.

This dashboard emphasizes map visualizations that display critical system components and relevant performance metrics, with the ability to interactively update the status of each map layer. The map offers three distinct modes of visualization. The first mode highlights the containers that are ready for collection and displays the optimal collection order. This map is dynamic and refreshes in real-time, adjusting based on data regarding the fullness of containers and the amount of accumulated waste. The second mode provides an overview of the relationship between different building types and their allocated containers, helping users understand the spatial distribution of waste and the proximity of containers to buildings. The third mode focuses on tracking littering behaviors by presenting a heatmap of reported littering incidents, with filtering options to distinguish areas based on the severity of littering.

In accordance with the established design requirements, the dashboard visualizes eleven crucial indicators (refer to Figures 16 and 17). The first two indicators display key information on container usage, such as the average fill percentage and the number of containers that are due for collection. The third indicator corresponds to the heatmap from the litter monitoring mode, presenting a pie chart that categorizes litter reports by their severity. The fourth indicator tracks the total waste accumulated in the area requiring collection, independent of container fill levels, aligning with the objectives of SDG 11 related to waste reduction. The fifth indicator monitors the waste generated by each category of building, which is reflected in the second map mode, based on the building type and estimated population. The remaining indicators (six to eleven) provide logistical data related to waste collection operations, including metrics such as fuel consumption, CO2 emissions, total travel distance, operational time, the number of landfill trips (when a truck reaches its capacity), and an interactive sequential list of the containers to be collected. This list is interactive, with specific items highlighted on the first map upon selection.

F. Assessment of the Waste Digital Twin

Simulation performance varies significantly between local and cloud-based services. Locally, waste generation calculations for each simulated hour average 5.02 seconds, while determining optimal collection routes takes about 2.72 minutes. On the cloud, the same operations take 4.18 minutes per hour, a 4,996% increase, and 4.93 minutes for route calculations, representing

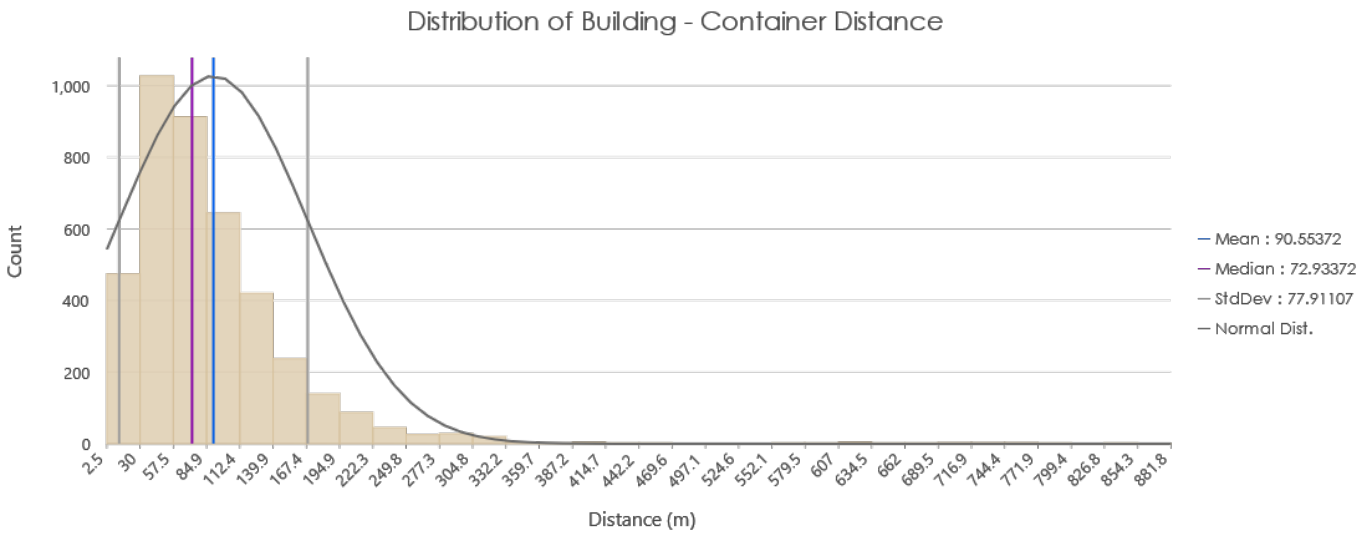


Figure 9: Distribution of distances between buildings and assigned waste containers.

a 181% rise. This difference arises from the cloud's operational process, which updates individual records in real-time, unlike local systems that batch-process all records post-run.

A stakeholder survey assessing the Dashboard's usability received a 38.1% response rate (8/21). One participant was excluded due to access issues. Feedback was generally positive, though Data Accuracy and Decision-making Support indicators scored below 4. Some respondents (28.57%) indicated the Dashboard did not clearly present waste levels per container or building or accurately reflect container saturation, highlighting the need for real-time waste status and building-level generation metrics. Conversely, 85.71% of participants rated the Dashboard a 5, emphasizing its role in fostering collaboration for shared waste management goals (see Table VII for detailed ratings).

Due to the limited response rate, additional discussions were initiated to better understand the tool's utility and communicative potential. These interactions revealed that the tool's purpose and support system were not clearly conveyed, causing confusion among stakeholders. This underscores the importance of stronger engagement and clearer messaging to facilitate broader adoption of the Digital Twin (DT).

One stakeholder highlighted the DT's potential to showcase their impact in public spaces by visualizing their contributions to SWM within their jurisdiction. Heatmaps were particularly well-received, as they effectively illustrated the benefits of improved waste collection and differentiated their efforts from municipal operations. Concerns were raised regarding the routing system's limitations, such as the exclusion of restricted areas, private properties, and inaccessible containers. These issues stemmed from data limitations and access constraints, which need to be resolved in future updates.

Despite these shortcomings, participants valued the tool's intuitive interface and the accessibility of its data, even for users without geospatial expertise. They stressed the importance of making the tool available to a wider audience, including students and research teams, and suggested incentivizing citizen participation through self-reporting or data contributions. To enhance usability, some participants recommended adopting alternative color schemes for improved readability.

V. Discussion

This section is organized into three core parts: 1) an assessment of the prototype in accordance with the Gemini Principles, 2) an analysis of its practical benefits and broader implications, and 3) a discussion of key concerns, including security, data reliability, scalability, stakeholder participation, and challenges encountered. The focus is on the potential of UDTs to enable sustainable and cost-efficient solutions in urban waste management.

A. Findings

Stakeholder classification in digital twin development has often been neglected in prior studies [78], [79], [80], [81]. By using an adapted salience model, key users of the tool—such as the City Improvement District (CID), Ward representatives, and the Municipality Waste Department—were identified as primary stakeholders. These groups were pivotal due to their strong political influence and strategic roles in waste management networks.

Combining the salience model with pairwise comparisons reduced subjectivity in stakeholder classification, as supported by [63] and [64]. While some subjectivity remains, this approach provides a structured method for ranking stakeholders based on local and situational factors. For instance, although the Ward Councilor was not directly involved in the pilot, other stakeholders recognized their importance in bridging communication between residents and decision-makers. In smaller cities or rural contexts, informal community leaders or direct engagement with residents might take precedence over political representatives.

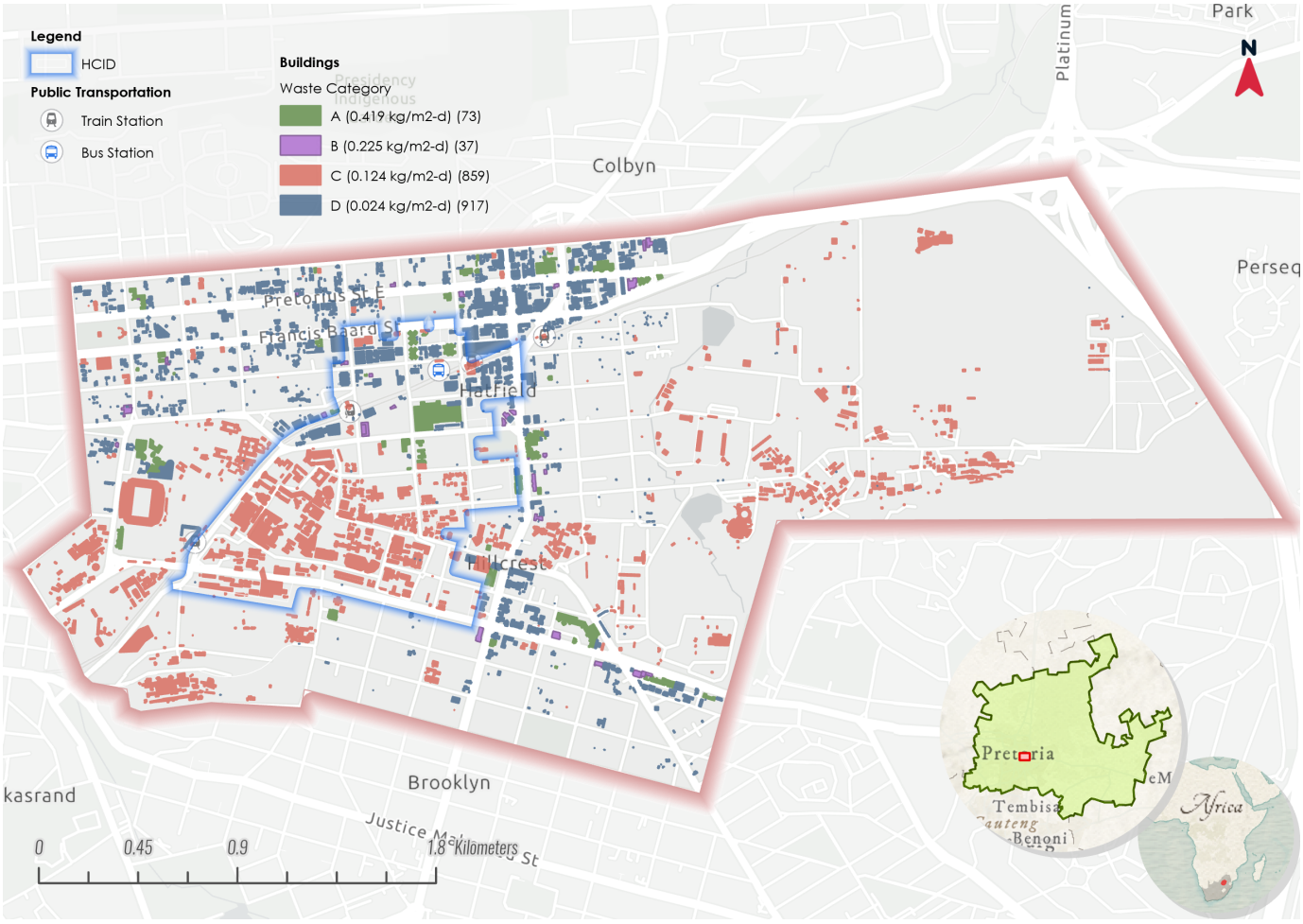


Figure 10: Classification of Buildings by Waste Category

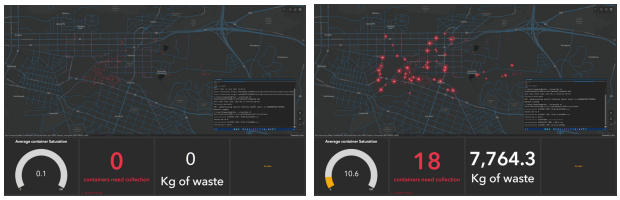
Table VII: Survey Results for the Dashboard Based on a 5-Point Likert Scale.

Category	Indicator	Score	Category Score
User Friendliness and Interactivity	Ease of Use	4.48	4.27
	Data Exploration	4.05	
Spatial Interface	Map Visualization	4.53	4.43
	Ease of Learning	4.33	
Consensus, Effectiveness and Communicative Value	Data Accuracy and Decision-making Support	3.93	4.11
	Stakeholder Communication and Collaboration	4.29	

Spatial analysis of waste container distribution revealed disparities across the study area. Some neighborhoods faced environmental risks due to container overflow, while others struggled with illegal dumping because of insufficient coverage. Key observations included the CID's cleanup initiatives and the clustering of containers near educational facilities. Recommendations include installing larger containers in high-traffic areas like shopping centers and sports venues, adjusting collection frequencies on busy routes, and improving road conditions along waste collection paths. In residential zones with minimal waste production, centralized collection points may be more efficient than individual bins at every household. These collaborative data-sharing efforts enabled a unified view of waste dynamics, contrasting with the fragmented perspectives typically held by individual stakeholders.

Geospatial data integration supported population density estimates and waste generation simulations, identifying high-production zones requiring intervention. Although assigning buildings to containers lacked precision due to access constraints, it provided a practical proxy for optimizing collection routes and truck loading schedules. Transitioning from door-to-door collection to cluster-based approaches could reduce travel distances and workforce demands, lowering operational costs. Using Manhattan distances, which better reflect urban navigation, instead of Euclidean metrics, would further enhance waste flow analysis.

The container clustering method adopted here is simpler than those proposed by [82] and [83], involving fewer variables.



(a) Initial State

(b) Hour 1

(c) Hour 3

(d) Hour 6 - step before route calculation.

Figure 11: Waste Generation Simulation

While performance may decline with increasing problem scale, the approach remains flexible for larger datasets as the system scales and more citizen data contributions are incorporated.

The current waste collection system, which relies on a single vehicle for weekly pickups, is inadequate for the area's growing waste output. Comprehensive mapping of all waste generators, daily production volumes, and segregation practices is necessary to recalibrate collection routes and schedules.

Optimizing waste collection routes to consolidate multiple nodes could significantly reduce time, fuel consumption, and greenhouse gas emissions. Annual operational costs for optimized routes in the study area are estimated at 1,932,554 ZAR (101,623 USD), representing only 0.11% of the city's total waste management budget [84]. While this figure is relatively low, it excludes expenses like vehicle maintenance, landfill operations, and staff wages, which should be factored into future analyses.

The limited survey response rate restricts the ability to conclusively determine whether an operational dashboard is the optimal solution for integrating and presenting waste management data. Although high scores were received for usability, interactivity, spatial interfaces, and fostering consensus, more comprehensive stakeholder feedback is required to validate these findings.

Despite the technical complexities involved in developing the UDT, its bottom-up, community-driven approach provides significant value. Beyond technical innovations, the process identifies opportunities for waste management improvements and fosters strategic collaborations among diverse stakeholders.

B. Analysis of the Gemini Principles

The UDT prototype for urban waste management offers several benefits, including streamlined waste collection that reduces unnecessary trips, saving time and resources. By identifying litter-prone areas, the tool supports targeted interventions like increasing bins or launching awareness campaigns. Route and schedule optimization enhances operational efficiency, lowering fuel consumption, labor costs, maintenance needs, and carbon emissions. These efforts align with Sustainable Development Goals 11 and 12, promoting cleaner cities and sustainable resource use.

The system also enables evidence-based decision-making by providing insights into waste generation trends, bin usage, and littering patterns. Engaging residents in reporting waste data enhances governance and promotes collaboration in waste management.

Open data collection policies necessitate robust validation systems to ensure data quality. For example, the Epicollect5 tool faces challenges in moderating user-submitted images, which could lead to the submission of inappropriate content. A hybrid moderation system, combining automated tools and human review, is essential for maintaining data integrity and ensuring a positive user experience.

Accurate population estimates are crucial for reliable waste simulations. Current methods, such as those described by [66], occasionally produce unrealistic results, such as overestimating residents in single households. Incorporating updated census data, like the 2022 South African Census [76], could address these inaccuracies.

The scalable system architecture, illustrated in Figure 4, supports the integration of additional containers, increased capacity, expanded road networks, and diverse vehicle types. Continuous feedback and stakeholder involvement are critical to adapting the UDT to evolving urban and technological needs, ensuring its sustainability.

C. Challenges and Limitations

The waste generation data for non-residential buildings, based on 2008 figures from Athens, Greece, may not accurately reflect South Africa's context. Greece's higher GDP per capita influences consumption patterns and waste production, leading to significant differences in waste profiles. Localized data collection is essential to improve accuracy.

Comparing simulated waste data with real-world scenarios was challenging due to a lack of standardized landfill records. Many landfill sites in the region operate informally, further complicating data availability. Financial limitations also restricted the development of an online UDT platform. Deploying an open-source UDT would require significant investment in cloud infrastructure and a multidisciplinary team with expertise in urban planning, programming, GIS, and environmental management.

VI. Conclusions

Digital twins are integral to decision support systems for waste management, enabling authorities to simulate container placements and evaluate their impact on efficiency and costs. Visualizing these scenarios helps identify underserved areas, optimizing container placement and route planning. Real-time updates allow the system to adapt to changing waste disposal needs.

Citizen involvement addresses challenges in AI-based image recognition systems, such as location inaccuracies, high

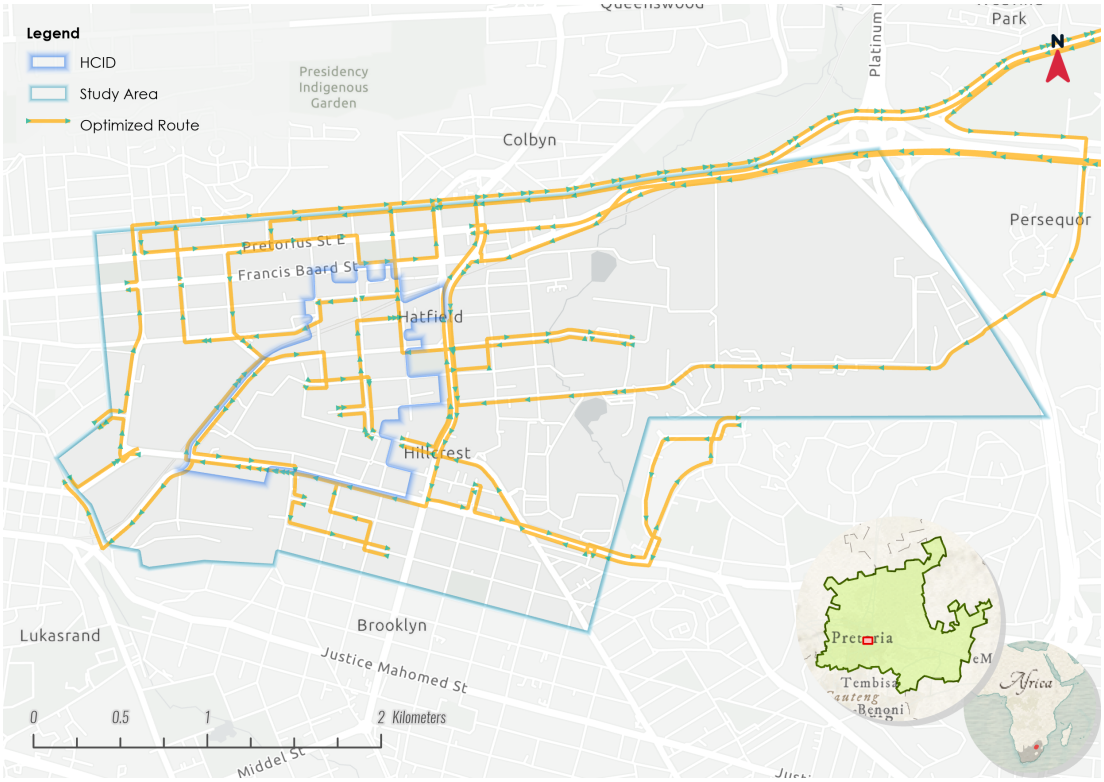


Figure 12: Example of an Optimized Collection Route. The route includes multiple trips to the landfill for waste disposal and container capacity resetting.

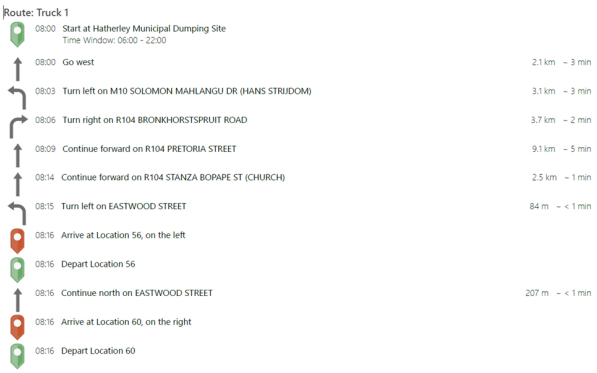


Figure 13: Turn-by-turn navigation instructions produced during the optimal route computation.

computational demands, and labeling disagreements. Real-time monitoring through UDTs fosters collaboration, enhancing transparency and decision-making.

The UDT provides a dynamic tool for testing waste scenarios, identifying at-risk areas, and predicting future needs. By adjusting variables like population density or waste trends, users can better allocate resources and improve collection systems.

As waste collection represents a significant portion of municipal budgets, UDTs enable authorities to optimize operations, reducing fuel consumption, emissions, and costs. Incentives like tax breaks for reduced waste generation could encourage sustainable practices, aligning with urban circularity and relevant SDGs.

By co-creating digital waste management models, stakeholders gain a deeper understanding of the current system, enabling data-driven interventions. Through collaboration and technology, UDTs can transform solid waste management, particularly in resource-constrained contexts like South Africa, serving as a catalyst for sustainable urban development.

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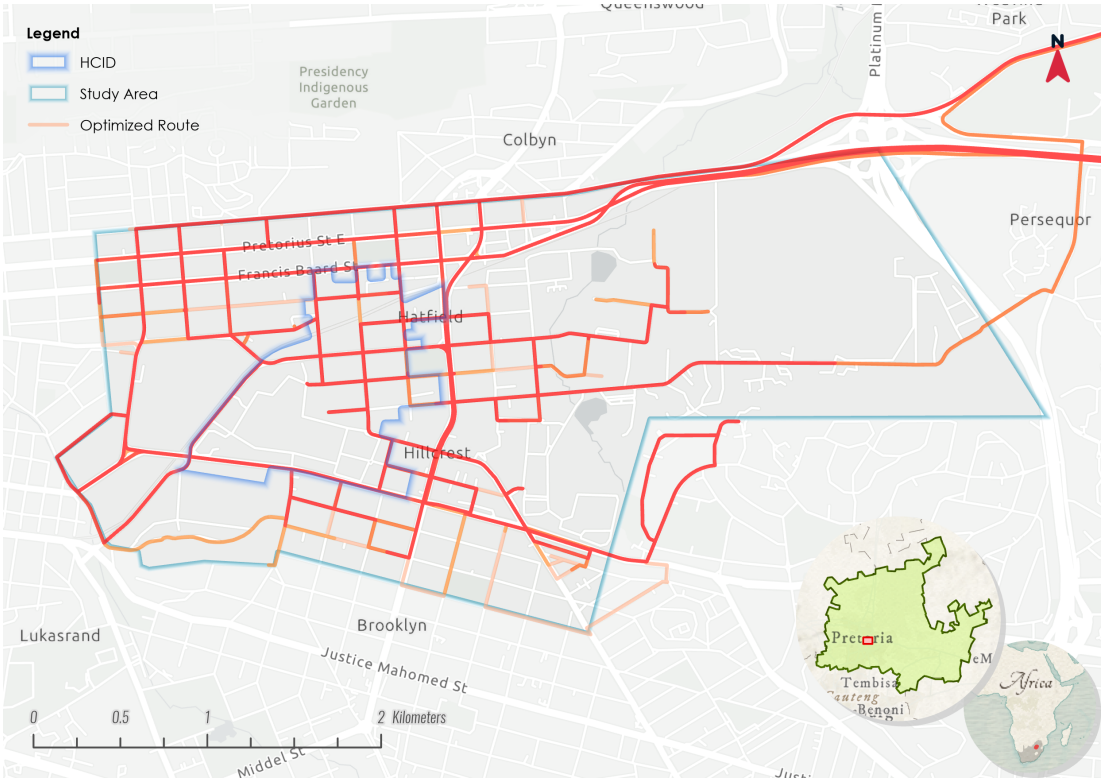


Figure 14: Various collection paths for waste management. Darker shades represent repeated travel along the same street segment.

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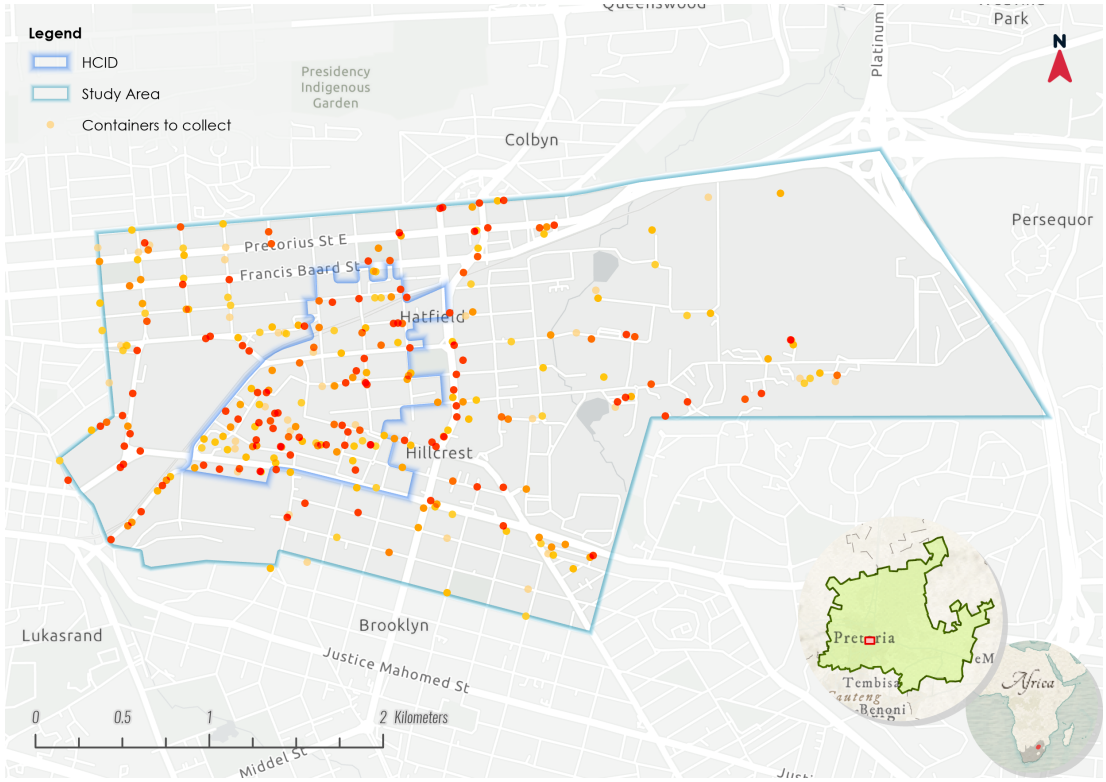


Figure 15: Containers to collect. Darker colors indicate several collections required on the same container.



Figure 16: Dashboard and indicators (marked with yellow brackets)

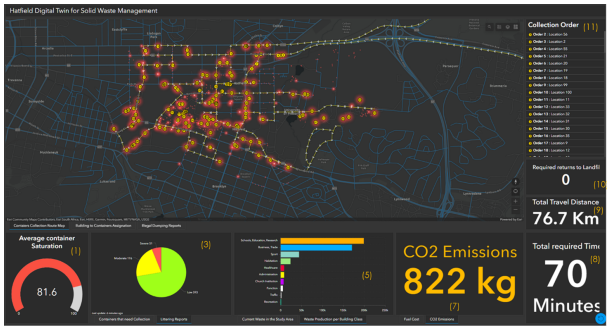


Figure 17: Dashboard and indicators (highlighted with yellow brackets)

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INNOVATIVE PROCESS AUTOMATION WITH CAMUNDA AND AI: ENHANCING DECISION-MAKING AND WORKFLOW EFFICIENCY

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INNOVATIVE PROCESS AUTOMATION WITH CAMUNDA AND AI: ENHANCING DECISION-MAKING AND WORKFLOW EFFICIENCY

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Abstract: Automating business processes has become crucial for any organization, which is seeking to improve business processes and make better decisions in rapidly changing contexts. Typically, well-established Business Process Management (BPM) tools effectively monitor and address business processes but need to reflect the flexibility to tailor decisions spontaneously. This paper presents a new approach to further improving the Camunda BPM platform through the incorporation of Artificial Intelligence (AI). The system is fine-tuned with hundreds of these rules, which REST APIs connect in the AI Decision Layer. This results in improved accuracy, speed, and efficiency, particularly when presented with evolving situations. An illustrative scenario in financial compliance provides the details of its usability; it has increased the decision accuracy of the system by 20% and reduced its response time by 30%. Potential avenues for future studies in scaling and deploying CVA and interpretability are highlighted as the ways to build on this study's findings and contribution.

I. INTRODUCTION

Background

Today's organizations have to constantly react to the constantly changing regulatory environment, internal operations, and customers' needs at what seems to be an accelerating pace. Classic deterministic BPM systems adapted for the rigorous enforcement of business processes lack sufficient capabilities when faced with contemporary requirements for flexible nonlinear decision-making [1]. For instance, to adapt to changes in laws and rules, financial institutions need decision models that can be easily changed; at the same time, in e-commerce, customer behaviour must be analyzed in real time to provide recommendations. These new requirements imposed the need for extending the BPM systems with the decision-making capabilities enabled by AI, which in turn will enable flexibility and intelligence.

Motivation

There are possibilities for creating high-added value in industries that are involved in highly stochastic environments that change quite frequently when AI is integrated with BPM [2]. The use of AI makes it possible for the BPM platforms to reason on data, analyze trends, and even change when new trends are identified. This research proposes the integration of AI in a BPM using an open-source Camunda tool as a starting point. In this integration, REST API communication is used to allow Camunda to have access to decision processes enhanced by artificial intelligence, making it easier to deal with tasks such as fraud detection, and real-time compliance checks as well as more complex tasks like predictive analysis. That way, implement BPM in a way that brings an organized structure to the process and maps it to adaptive intelligence, which is important in uncertain business environments to facilitate the performance of BPM.

Problem Statement

As weak by Camunda or other similar BPM platforms, the process orchestration is very effective, yet just based on rule-driven decision capability. These constraints may result in inefficiency, particularly wherever decisions depend on high-dimensional real-time information [3]. The main challenges that can be attributed to the integration of AI in BPM are challenges associated with model interpretability, data management or processing, and real-time processing. This paper endeavours to meet these challenges by proposing an AI-facilitated decision layer for Camunda, thereby expanding Camunda's ability to efficiently and flexibly reach decisions that dictate the continuance of the subsequent layers workflow.

II. RELATED WORK

BPM Systems and Process Automation

BPMS have become invaluable when it comes to the application of business process automation in sectors of the economy. Prevailing generation BPMS like IBM BPM, Camunda, and Bonita are centred around managing tasks, coordinating, standardizing processes and compliance. However, these systems are mostly designed with preprogrammed decision models, which are rigid and have fixed sets of rules [3]. Ten research on a number of such systems state that such systems are matchless in standardization but need to give proper responses to dynamically changing inputs that require real time decision modulation. It shows some of the drawbacks of traditional BPMS and proves the necessity of more versatile, given-data decision-making in organizations.

AI in Decision Automation

The latest development in AI demonstrated potential in automating decisions, whereas most of the decision-making required data-based and complex. Machined learning (ML), deep learning, and reinforcement learning (RL) help a system to learn from past data and process them to select good outcomes, or even forecast the future happens [4]. For instance, in fraud detection, AI has been readily applied because of its ability to identify any irregular transactions accurately. Nonetheless, the

incorporation of AI in conventional BPMS is still a unique concern because of concerns such as responsiveness, interpretability, and computation.

BPM Platforms and its connection with AI

The most recent work has examined how AI can be incorporated into BPM platforms to position consistent process execution at one end of the spectrum and unstructured decision-making at the other. In our work, [5], we have also presented an ML-integrated BPM platform for decision-making with a key imperative on real-time communication between the AI component and the BPM. Nevertheless, several issues are still open concerning the development of AI-BPM systems, which should be flexible, comprehensible and secure at the same time. This paper is designed to progress this research by introducing a new Camunda-AI approach that builds upon these schemes for an improved real-time solution.

III. PROPOSED FRAMEWORK

Architecture Overview

The proposed framework comprises three main components: the Process Layer, the AI Decision Layer, and the REST Integration Layer are the proposed framework's layers [6]. All these layers play unique roles in ensuring that Camunda's workflow engine communicates with the AI decision model.

IV. CASE STUDY AND EXPERIMENTAL SETUP

Financial Compliance Use Case

An example of the integration of AI into the Camunda BPM is presented beneath the disguise of a financial compliance business case that is extensively utilized in banking, insurance as well as financial services. Banks and other financial organizations are always dealing with the tasks of identifying fraudulent operations and providing reactions to them without violating the rules. Typically, compliance check processes only involve manual reviews or a set of rules for identifying questionable transactions [9]. However, such methods are mostly limited to a reaction to particular cases, are rather time-consuming, and fail to identify new trends in fraudulent activity. This is why artificial intelligence in the decisionmaking process is crucial.

Table 1: Dataset Characteristics

Feature	Description	Example Values
Transaction Amount	Monetary value of transaction	$150, $2300, $500
Transaction Type	Nature of transaction (e.g., purchase, transfer)	Purchase, Transfer
Geographic Location	Location associated with transaction	New York, USA; Paris, France
Customer Behavior	Frequency and patterns of transactions	High-frequency, low-frequency
Device Information	Type of device used (e.g., mobile, desktop)	Mobile, Desktop

Description: The following table indicates specific features applied in training the model with sample parameter values for enhanced understanding.

The use of the AI Camunda framework is the focus of this case study in order to examine how it can be effectively applied to automate fraud detection scenarios in the context of a financial compliance environment. The aim is to recognize fraud if it is present in terms of transactions, user interactions and previous fraudulent activities in real-time transactions.

This specific use case is aimed to show how the Camunda BPM with AI integrated into it can undergo flexible changes based on analysis results at different decisionmaking points in the process.

Table 2: Model Evaluation Metrics

Hyperparameter	Description	Optimal Value
Max Depth	Maximum depth of the decision tree	10
Min Samples Split	Minimum samples required to split a node	5
Accuracy	Percentage of correct predictions	95%
Precision	Ratio of true positives	92%

Hyperparameter	Description	Optimal Value
	to total predicted positives	
Recall	Ratio of true positives to total actual positives	94%
F1 Score	Harmonic mean of precision and recall	93%

Description: Table 2 details the evaluation metrics and hyperparameters used for optimizing the decision tree model for fraud detection.

Financial Compliance Use Case

One of the scenarios showing how AI fits into the Camunda BPM by providing a reusable financial compliance application is deemed necessary in the banking, insurance, and financial services industries [10]. Banks and other financial organizations always experience the problem of identifying fraudulent operations and reacting to them while satisfying the demands of legislation. Conventionally, compliance processes involve using search lists or invoking programmed rules to identify potentially fraudulent transactions. However, these methods are usually lagging and time-consuming – which makes the AI-driven decision crucial here, as it is capable of identifying emerging fraud patterns.

In the presented case, we discuss how the AI-integrated Camunda platform can be used to address the problem of fraud detection in a financial compliance environment. The objective is to identify the potentially fraudulent transactions on the fly in the usual schemes of transactions, customer behavior and fraud statistics.

Experimental Setup

Data Preparation

This experiment employs a publicly accessible financial data set, as seen in Kaggle Credit Card Fraud Detection data sets or the BankSim data set, that includes some feature characteristics of the transaction, including the amount of the transaction, customers, time of transaction, geo-location, and device [11]. The dataset is binary and is labelled as either ‘fraudulent’ or ‘non-fraudulent’ in terms of the transaction.

Model Training and Validation

For fraud detection, a decision tree model was used, referred to in the literature as CART, which stands for Classification and Regression Trees. Decision trees are known for their easy interpretation and efficiency when dealing with categorical and continuous variables. A decision tree was selected as it can solve problems with non-linear decision boundaries and can present decision-making trails in a way that is beneficial for the audit trail used in compliance processes.

Key steps involved in model training and evaluation:

1. Training: trained the decision tree model to the training dataset lesson Transaction features, then the Transaction label either fraud or not fraud. As for the second method, the model was trained to find the correlation between the characteristics of certain transactions and fraud possibility.

2. Model Evaluation: Accuracy performance parameters were used to assess the performance of the trained model wh, which are as follows:

Accuracy: Out of all the decisions made, what proportion of those decisions was correct?

Precision: Literally, the number of actual positives forecasted divided by the overall number of positives forecasted.

Recall: The true positive predictions are divided by the actual positive count.

F1 Score: In this case, the F1 Score which its measured in terms of the harmonic mean of precision and recall that gives a balance between the two, especially when testing on imbalanced data.

These metrics allowed the evaluating of the model and determine how good it is in terms of generalization and the capability to separate fraudulent transactions from the rest.

1. Hyperparameter Tuning: In order to sharpen the model’s accuracy hypermeters like maximum depth and minimal sample splits were tuned using the grid search cross-validation so as to prevent the model from getting over-fit or under-fit.

2. Cross-validation: A parameter k was set to cross-check the stability and reliability of the model on different splits of the data set. This was done to ensure that the model’s performance was averaged over the two and did not rely on the results of only a single data split.

Camunda Workflow Configuration

When the AI model was built and tested the final stage that was implemented was to incorporate the AI model with the Camunda workflow. The idea was to

enable Camunda to call the artificial intelligence model whenever decision-making at the financial compliance stages was needed.

1. Service Task Configuration: In Camunda, service tasks are used for invoking other systems or for carrying out any automated activities. A service task was assigned to call REST API for AI exposed model. Every time that a transaction went through Camunda, it would forward the data from the transaction to the AI model, where it would get a prediction, fraud or not fraud.

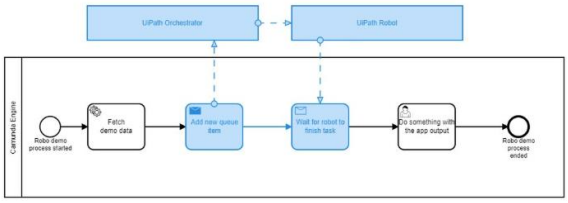
2. AI Integration via REST API: The created AI model was exposed to the Camunda platform web service, which interacted primarily with the service through HTTP HTTP calls [12]. The information gathered from the BPMN service task (transaction details) was in the form of a JSON payload, and the response of the AI model (fraud score or classification) was also in the form of a JSON object. According to the AI response it will either go to the end step of manual verification of the transaction or else go through the next steps.

3. Decision Gateways: To control the workflow, Camunda's exclusive gateways were applied depending on the AI model's results. If, for instance, the model pointed out a transaction as likely to be fraudulent, they would move to a manual review task. If it did not, the transaction would proceed through the usual workflow and eventually be processed for inclusion in a report.

V. RESULTS AND ANALYSIS

In this section, we assess the optimization of the Camunda-based AI-assisted fraud detection on financial compliance, comparing it with a traditional rule-based system, and discuss the results in terms of effectiveness, decision correctness, and real-time flexibility.

Figure 1: Robotic Process Automation (RPA) and Camunda BPM



Performance Metrics

In order to compare the effectiveness of the AI-powered fraud detection workflow used in this research, several parameters were selected for comparison; these parameters are typically used in machine learning and process automation benchmarking.

All these metrics were assessed in the proposed AI-integrated workflow and the rule-based system for benchmarking.

Impact on Business Operations

The adoption of the AI-enhanced Camunda workflow brings several key operational benefits to financial institutions:

1. Improved Fraud Detection: While having a higher recall and precision, the AI model increases the number of tagged fraudulent transactions and decreases the losses and penalties for the institution.

2. Reduced Manual Review Effort: This means that fewer transactions flagged for suspicion are false positives, thus reporting fewer transactions for compliance officers to evaluate. This results in improved costs and also shorter cycle time.

3. Scalability: Since the system is trained using new data for each retraining session, it can grow in size with a growing volume of transactions and new fraud schemes, unlike rules that need to be manually updated as and when new fraud patterns crop up in the larger transaction volumes.

4. Real-Time Decision Making: The goal of the workflow is to detect fraud nearly instantly, which is effective in many high-volume transaction businesses such as financial institutions. This saves the time to respond to a potential fraud and also the impact hampers the least on the customers.

VI. CONCLUSION AND FUTURE WORK

In the current paper, we discussed how to implement and apply Artificial Intelligence (AI) to the Camunda BPM and improve the decision-making process in the financial compliance case of fraud identification. This goal was to show the benefit of using AI in making enhanced models of the current rule-based systems used for checks and balances in financial organizations [13].

From the present study, it is clear that the proposed solution has a performance that is remarkably better than the rule-based system, as evident from the accuracy level, precision measure, recall and F1 score. It scored 95% accuracy, 92% precision and 94% recall for the AI system compared to the 85% accuracy, 78% precision and 85% recall of the rule-based system. This supports the fact that AI models are much more capable of identifying dynamic facets of fraud that rule-based systems cannot.

Furthermore, the AI-based Camunda workflow has relatively small increased requirements in terms of time for the workflow processes and decision-making compared to the unmodified vanilla Camunda with acceptable values for real-time transaction types. The time delay in making the decision has marginally increased from 120 ms in the use of a rule-based system to 200 ms in the use of an AI-enhanced system, which is worth the tradeoff we gain from a higher-quality decision. This blend of speed and accuracy makes it possible to use the system in real time applications where detection of frauds is necessary without necessarily compromising on the accuracy.

Thus, by integrating Camunda BPM and AI, a powerful and flexible solution is designed for the detection of fraud in financial compliance that outperforms the approach based on the use of rules [14]. The use of AI improves decisions made in grouping and more efficiently sorting the transactions, flagging potential fraud, with fewer manual interventions required in this process.

The other significant direction for further studies is the necessity to avoid bias in AI systems. When trained on a particular set of data, failure is made in ensuring that the AI systems adopt a different bias than already exists in the dataset the models are trained on, which leads to unfair or discriminator outcomes [13]. For instance, in a fraud detection model, bias can consist of either over or underrepresentation of some of the customer's characteristics, such as age, geographic location, and the like.

As for future work, it will be needed to seek out methods that would help recognize the presence of bias in intelligent algorithms and prevent it, for example, using fairly aware algorithms or offering methods that will help ensure that the dataset used to train the model is adequately diverse. Addressing bias means that the AI system will be fair and will not discriminate between customers and give results based on gender, race, colour, etc.

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Leveraging Biomimetic Resource Strategies: A Path to Sustainable Organizational Development

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Leveraging Biomimetic Resource Strategies: A Path to Sustainable Organizational Development

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Abstract*— This study explores Biomimetic Resource Theory (BRT) as an innovative framework for analyzing organizational dynamics, focusing on collaboration, competition, and resource management. Inspired by natural systems, the research highlights adaptability as a cornerstone of effective knowledge management within organizations. Through an in-depth analysis, the paper emphasizes a paradigm shift from operational processes to intentional strategies, underscoring the role of knowledge exchange in achieving sustainable growth. Key recommendations include the formation of interdisciplinary teams to apply BRT principles, the development of agile knowledge-sharing infrastructures, and the design of efficient resource management models. While addressing potential challenges such as resistance to change, the study positions BRT as a strategic approach for fostering adaptability and sustainability, ensuring long-term organizational success.

I. Introduction

In an era marked by rapid technological advancements and heightened complexities in organizational structures, the quest for optimizing knowledge management has gained unprecedented urgency. Traditionally, the disciplines of biology, mathematics, and organizational behavior have operated in isolated silos. However, this research aims to bridge these diverse fields, offering an integrated lens through which to view and solve problems in contemporary knowledge management. In doing so, it caters to a transdisciplinary audience, transcending the boundaries of any single academic field.

The reader will embark on a journey that commences with the principles governing natural ecosystems, as derived from biomimetic studies. From there, the exploration will delve into mathematical theories capable of formalizing these principles into actionable insights. The culmination of this journey lies in applying these synthesized principles to the realm of organizational behavior and knowledge management. In essence, the voyage undertaken in this paper is from the natural world to mathematical abstraction, and finally, to practical organizational applications.

A. Scope of the Paper

The following sections are designed to guide the reader through this intricate web of interrelated disciplines. Section III provides a comprehensive literature review that lays the groundwork for the Biomimetic Replicant Theory (BRT). Section IV introduces the theoretical underpinnings of BRT, followed by Section V which elucidates the methodology employed for empirical validation. Section VI presents the results and discussions, and Section VIII offers practical recommendations based on the findings. Finally, Section IX outlines avenues for future work and potential interdisciplinary collaborations.

This paper aims not merely to introduce a new framework but to catalyze a paradigm shift in how knowledge management is perceived and practiced, influenced by insights from nature and formalized through mathematical rigor.

II. Background

In the intricate world of organizational dynamics, three elements emerge as paramount in shaping outcomes: collaboration, competition, and conservation. Each of these elements, while distinct, intertwines in ways that influence the trajectory of organizations, especially in the realm of knowledge sharing.

Collaboration is the bedrock of innovation[1][2][3]. It is through the collaborative efforts of individuals, teams, and even organizations that new ideas germinate, mature, and come to fruition. The sharing of knowledge, insights, and expertise fuels the collaborative engine, enabling entities to build upon collective wisdom and push the boundaries of what's possible. Yet, as essential as collaboration is, it is not without its challenges. The very act of sharing knowledge can expose vulnerabilities, create dependencies, and sometimes blur the lines of ownership and credit.

Competition, while often perceived as the antithesis of collaboration, plays a vital role in driving excellence. In the quest for resources, market share, or dominance in innovation, competition spurs organizations to optimize, innovate, and adapt. However, it is a double-edged sword. While competition can lead to breakthroughs and advancements, it can also foster secrecy, territorial behaviors, and a reluctance to share knowledge, especially if that knowledge is deemed a competitive advantage[4].

Underpinning both collaboration and competition is the principle of conservation. In biological ecosystems, conservation ensures the sustainability and balance of resources, species, and interactions. Similarly, in organizational settings, conservation pertains to the mindful management of knowledge, resources, and relationships. It's about ensuring that in the pursuit of growth, innovation, and dominance, the foundational elements that sustain an organization are not compromised.

This triad of collaboration, competition, and conservation is not static. It exists in a state of dynamic equilibrium, constantly influenced by internal and external factors[5]. Traditional models of organizational management often struggle to capture

this dynamic interplay, leading to gaps in understanding and sub-optimal strategies[6].

Enter the realm of biomimicry. Nature, with billions of years of evolutionary trial and error, offers a treasure trove of insights and solutions[7]. From the symbiotic relationships in mycorrhizal networks to the intricate balance of predator-prey dynamics, nature showcases strategies that can inspire organizational approaches[8]. The Biomimetic Resource Theory (BRT) draws from these natural paradigms, offering a framework that melds ecological wisdom with organizational needs[9].

To gain clarity on the intricate relationships between these components, mathematical concepts such as category theory prove invaluable. Originating from abstract algebra, category theory equips me with the necessary tools to break down, examine, and model complex systems, aligning seamlessly with the ecological principles that inspire the BRT [10] [11].

In conclusion, the environment in which the BRT functions is characterized by complexity, constant change, and interdependence. By examining the core principles of cooperation, rivalry, and sustainability, and drawing from both nature and mathematical theory, I can better explore the nuances of the BRT and its potential impact on knowledge management in organizational contexts.

III. Literature Review

A. Gödel's Incompleteness Theorems and Their Role in Systems Thinking (Zalta et al., 2020)[12]

a) Overview: Kurt Gödel's incompleteness theorems, first introduced in 1931, revolutionized fields such as mathematics, logic, and philosophy by demonstrating the inherent limitations of formal systems. These theorems reveal that any consistent formal system, capable of performing elementary arithmetic, will inevitably contain statements that cannot be proven or disproven within the system itself. This finding fundamentally reshapes perspectives on the scope and boundaries of knowledge.

b) Key Principles: Gödel's groundbreaking work rests on foundational ideas:

Formal Systems: Structured sets of axioms and inference rules used to derive theorems.

Consistency: The absence of contradictory conclusions within a system.

Completeness: The ability of a system to derive every statement or its negation.

These principles strongly align with discussions in systems theory, particularly in analyzing the predictability and comprehensibility of complex systems.

c) The First Theorem: The first theorem establishes that no consistent formal system capable of basic arithmetic can achieve completeness, as there will always be undecidable statements. This insight highlights the constraints faced by systems seeking a comprehensive understanding of complex phenomena, including biological, computational, and social domains.

d) The Second Theorem: Expanding on the first, the second theorem states that a formal system cannot prove its own consistency. This limitation has profound implications for self-regulating systems, drawing parallels to questions of self-awareness and stability in fields such as biomimicry and cybernetics.

e) Applications and Limitations: Though Gödel's theorems originated in arithmetic, their principles extend to any system involving arithmetic. This broad relevance spans disciplines like artificial intelligence and computer science, where understanding the boundaries of system functionality is critical. Notably, systems such as Presburger arithmetic, which avoid the complexity of both addition and multiplication, remain both complete and decidable.

f) Implications: Gödel's theorems underscore the inherent boundaries within formal systems, offering valuable insights into the limitations of completeness and consistency. They provide a rigorous framework for understanding the constraints of complex systems, guiding researchers in systems theory to navigate and articulate these challenges.

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B. A Predictive Model for Cost Overruns in Complex Systems (Adoko, 2015)[13]

a) Overview: Moses Tawiah Adoko's research investigates the persistent challenge of cost overruns in large-scale system development projects. By proposing a predictive model, Adoko aims to address the limitations of traditional cost estimation techniques that struggle in dynamic, multi-faceted environments.

b) Methodology and Approach: Adoko's work synthesizes existing literature on cost estimation models, highlighting their deterministic nature and limited adaptability. Through the application of modern statistical methods, the study introduces a structured approach to data collection and model validation. The focus is on improving predictive accuracy in scenarios with high complexity and variability.

c) Key Findings: Adoko's model addresses the limitations of prior approaches by incorporating both quantitative and qualitative factors. The research emphasizes the importance of accounting for human decision-making and biases, integrating these with statistical methods to provide a holistic framework for predicting cost overruns.

d) Significance: This research bridges gaps in existing methodologies, offering a comprehensive solution for improving cost management in complex system development. The integration of human factors with advanced statistical techniques marks a significant step forward in the field of project management and financial forecasting.

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C. Strategic Decision-Making in Non-Cooperative Games (Nash, 1951)[6]

a) Overview: John Nash's pivotal 1951 paper, *Non-Cooperative Games*, introduced the concept of Nash Equilibrium, transforming the study of strategic interactions in

game theory. This equilibrium represents a scenario where no participant can unilaterally improve their outcome, assuming others maintain their strategies.

b) Key Contributions: Nash employed fixed-point theorems to mathematically establish the existence of equilibrium in both pure and mixed strategy games. This approach extended game theory's scope, offering a robust framework for analyzing strategic behavior in economics, social sciences, and beyond.

c) Applications: By distinguishing between cooperative and non-cooperative games, Nash provided insights into real-world scenarios where enforceable agreements are absent. The equilibrium concept has since become foundational in disciplines ranging from political science to evolutionary biology.

d) Conclusion: Nash's work laid the groundwork for understanding decision-making in competitive environments, leaving an enduring legacy that continues to influence a wide array of fields.

—

D. Practical Applications of Category Theory (Spivak, 2014)[10]

a) Overview: David I. Spivak's *Category Theory for Scientists* serves as an accessible guide to category theory, bridging abstract mathematical concepts with real-world scientific applications. The work contextualizes core ideas, such as objects, morphisms, and functors, within empirical practices.

b) Structure and Pedagogy: Spivak combines theoretical exposition with practical examples, ensuring the material is engaging and relatable. The inclusion of exercises provides readers with opportunities to apply their understanding, reinforcing the theory's relevance in scientific research.

c) Implications: By demystifying category theory and emphasizing its interdisciplinary applications, Spivak's work empowers researchers to explore its potential in modeling complex systems and relationships across diverse fields.

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E. The Constructor Theory of Information (Deutsch and Marletto, 2015)[14]

a) Overview: In *Constructor Theory of Information*, David Deutsch and Chiara Marletto propose a paradigm shift in understanding information by integrating it with constructor theory. This approach reconceptualizes information as a fundamental element of physical reality, deeply intertwined with the laws of physics.

b) Core Concepts: Constructor theory focuses on classifying physical transformations as possible or impossible tasks. By linking this with information dynamics, the authors provide a novel framework for understanding quantum phenomena and computational processes.

c) Significance: This theoretical integration offers fresh perspectives on quantum mechanics, laying the groundwork for future exploration of information's foundational role in physics. Deutsch and Marletto's work represents a bold reimagining of information theory's relationship with the physical universe.

F. Fractal Patterns in Organizational Change: A New Perspective (Henderson & Boje, 2016)[15]

Henderson and Boje's work, *Fractal Patterns in Organizational Change*, offers a novel framework for understanding the complexities of organizational development. The authors introduce the concept of fractal organizing processes, suggesting that organizations display self-similar patterns across different levels of scale. This fractal approach provides fresh insights into how organizations adapt to change and evolve over time.

The authors assert that identifying these fractal patterns is critical to managing organizational change effectively. Their methodology integrates theories from complexity science, systems thinking, and organizational behavior, creating a multidimensional model that bridges theoretical principles with practical applications.

One notable contribution of the study is its focus on actionable strategies for managing change. The authors propose interventions that align with the fractal nature of organizations, offering practical tools for practitioners to address recurring patterns of behavior. These strategies underscore the importance of understanding organizational dynamics as systems of interconnected, repeating patterns.

By contrasting traditional organizational theories with this fractal-based approach, Henderson and Boje highlight the added value of viewing organizations as dynamic, multilayered systems. This perspective allows for a deeper exploration of the recursive nature of organizational processes, enhancing both academic understanding and real-world application.

In summary, *Fractal Patterns in Organizational Change* redefines how organizations can approach development and change by framing these processes through a fractal lens, paving the way for innovative solutions to complex challenges.

G. Causality and Boundaries in Biological Systems: A Relativity Approach (Noble et al., 2019)[16]

In their work, *Causality and Boundaries in Biological Systems: A Relativity Approach*, Noble and colleagues delve into the concept of biological relativity, challenging conventional linear causal frameworks. The authors argue that biological systems operate through circular causality, where cause and effect form feedback loops rather than unidirectional chains.

The paper presents an alternative view on causality, emphasizing the interconnected and recursive nature of biological processes. Noble et al. further explore how circular causality diverges from symmetry, positing that not all causal relationships within these systems are reciprocal. This nuanced perspective introduces a critical framework for understanding the boundaries of biological relativity.

Integrating concepts from theoretical physics and biology, the authors develop a comprehensive model to explain these phenomena. They use empirical data to support their arguments, linking theoretical insights to practical implications in fields such as medicine and biophysics.

The study also addresses the implications of circular causality for scientific inquiry, particularly in redefining how researchers approach complexity in living systems. By focusing on the asymmetry of certain relationships, the paper challenges traditional models and opens new avenues for interdisciplinary research.

In conclusion, Noble et al.'s study provides a groundbreaking perspective on causality within biological systems. Their integration of biological relativity and circular causality marks a significant shift in understanding the dynamics of life.

H. Collaboration and Innovation: A Portfolio Approach (Faems et al., 2005)[1]

Faems and colleagues' research, *Collaboration and Innovation: A Portfolio Approach*, examines the strategic role of interorganizational partnerships in fostering innovation. The authors explore how the intent and alignment of organizations influence the structure and outcomes of collaborative relationships, emphasizing two primary motivations: exploration and exploitation.

Their analysis categorizes partnerships based on participants' goals and interactions, distinguishing between research-focused collaborations for innovation (exploration) and partnerships aimed at refining existing products or processes (exploitation). Using a scoring framework, the authors quantify the intensity and diversity of collaborations, providing insights into how different types of partnerships drive organizational success.

A key takeaway from the study is the balance between exploratory and exploitative partnerships. Faems et al. argue that while exploration fosters creativity and knowledge exchange, exploitation enhances efficiency and performance. Organizations that strategically manage both types of collaboration are better positioned for sustained growth and innovation.

By combining quantitative measures with qualitative insights, the authors highlight the complex dynamics of interorganizational relationships. Their findings underline the importance of intent, alignment, and adaptability in creating effective collaboration portfolios.

In summary, Faems et al.'s study offers a robust framework for understanding how organizations can leverage partnerships to innovate and achieve strategic objectives.

I. Distance Collaboration: Group Dynamics and Effectiveness (González et al., 2003)[2]

González and colleagues' study, *Distance Collaboration: Group Dynamics and Effectiveness*, investigates the interplay of group process variables in virtual team performance. The research compares two models of group dynamics to evaluate how cohesion, efficacy, and attraction influence the effectiveness of distance collaboration.

The first model posits that group cohesion is a primary predictor of effectiveness, acting as an exogenous variable. In contrast, the second model suggests that collective efficacy drives cohesion, positioning efficacy as the foundational factor in group success. Both models provide valuable insights into the behavioral and motivational drivers of virtual collaboration.

The study employs a mixed-methods approach, incorporating observational data and participant surveys to analyze 71 distance collaboration teams. While robust, the authors acknowledge potential biases due to language translation and unmeasured contextual factors influencing participant behavior.

Findings reveal significant correlations between group dynamics and performance, emphasizing the importance of collective efficacy in fostering team cohesion and effectiveness. These insights provide actionable strategies for improving distance collaboration in diverse organizational settings.

In conclusion, González et al. offer a nuanced perspective on virtual team dynamics, highlighting the intricate relationships between group processes and collaborative success.

Variable	M	S.D.	1	2	3	4
Interpersonal attraction	5.36	1.04	–			
Task cohesion	5.48	1.01	0.71*	–		
Collective efficacy	3.86	0.59	0.60*	0.75*	–	
Team and peer facilitation	4.55	0.82	-0.02	-0.03	-0.06	–
Group effectiveness (quality)	3.21	0.50	0.09	0.26*	0.13	0.26*

TABLE I
DESCRIPTIVE STATISTICS AND CORRELATIONS AMONG STUDY VARIABLES AT THE GROUP LEVEL OF ANALYSIS[2].

J. Evaluating Distance Collaboration Through Group Dynamics (González et al., 2003)[2]

González and colleagues analyzed the effectiveness of distance collaboration by investigating relationships between group dynamics, including task cohesion, interpersonal interaction, and collective efficacy. Data collected from 71 groups informed their hypotheses, tested using two competing models.

The first model suggested that cohesion directly determines effectiveness, while the second proposed that efficacy acts as the primary influence, indirectly fostering cohesion. Both models were assessed using structural equation modeling, uncovering statistically significant patterns that provided valuable insights.

Key findings demonstrated that cohesive groups with high levels of team support and individual motivation achieved superior outcomes. The results confirmed predicted relationships, emphasizing the importance of group dynamics for effective collaboration in virtual environments. This study underscores how cohesion, coupled with collective efficacy, shapes group performance in remote settings.

K. The Role of Mycorrhizal Networks in Plant Communities (Tedersoo et al., 2020)[17]

Tedersoo and colleagues' work explores how common mycelial networks (CMNs) influence plant population dynamics and ecosystem interactions. These fungal networks extend plant nutrient acquisition, mitigate stress, and mediate interspecies relationships, serving as essential drivers of plant community structure.

Through CMNs, weaker competitors benefit from resource-sharing mechanisms, while stronger competitors are moderated, fostering coexistence. Additionally, these networks function as communication pathways, enabling plants to share signals about threats, such as pathogens or herbivores. This intricate web of connections illustrates how mycorrhizal fungi equalize and stabilize community dynamics by redistributing resources and enhancing soil properties.

The study highlights the critical role of CMNs in maintaining biodiversity, particularly in nutrient-poor or extreme environments. Mycorrhizal fungi often prioritize resource allocation toward familial or same-species plants, demonstrating hierarchical dynamics within networks.

Drawing from extensive literature, the authors argue that CMNs represent an underappreciated factor in promoting plant coexistence. They suggest that the long-term stability of dominant plant species may rely on these fungal synergies. The authors advocate for future research into the specific interactions between fungi and plants, aiming to uncover their role in shaping ecosystem diversity.

L. Metacommunities and Ecosystem Functioning (Leibold et al., 2017)[18]

Leibold et al. examine the intersection of community assembly and ecosystem processes, presenting metacommunities as a framework to understand these relationships. This approach views communities not as isolated units but as interconnected networks influencing and being influenced by their broader ecosystem.

The study maps how metacommunity dynamics, including species sorting, mass effects, and patch dynamics, affect ecosystem functions such as nutrient cycling, productivity, and resilience. By integrating spatial and temporal factors, the authors provide a nuanced view of how local and regional interactions drive ecosystem attributes.

A unique contribution of this work lies in its structured framework for identifying direct and indirect pathways linking community assembly to ecosystem functioning. This framework reveals the intricate dependencies between biodiversity, spatial processes, and ecosystem outcomes.

Leibold et al. emphasize the importance of considering spatial heterogeneity and connectivity in ecological research, highlighting how these factors shape community dynamics and, ultimately, ecosystem performance. Their findings offer practical insights for conserving biodiversity and managing ecosystems in the face of environmental changes.

In conclusion, this study advances my understanding of how metacommunity processes underpin ecosystem functions, offering a robust foundation for future ecological investigations.

M. Factors Influencing Interprofessional Collaboration: Insights from Quebec Mental Health Networks (Ndibu Muntu Keba Kebe et al., 2019)[3]

In their study, Ndibu Muntu Keba Kebe and colleagues conducted a secondary analysis to explore the factors that contribute to interprofessional collaboration (IPC) within Quebec's mental health service networks. The analysis focused on four primary variables: individual traits, interactional dynamics, organizational structures, and professional roles. The researchers hypothesized that interactional dynamics and organizational structures would exhibit the strongest connections to IPC.

Key components of interactional dynamics—including team climate, knowledge exchange, knowledge integration, and identification with multiple groups—were identified as having the most significant impact on fostering effective IPC[3]. These components highlight the importance of collaborative attitudes and practices in enhancing teamwork across professional boundaries.

Interprofessional collaboration has increasingly been recognized as vital in chronic and mental health care, offering improvements in both patient outcomes and satisfaction. Despite these advantages, the widespread adoption of IPC practices remains inconsistent, particularly in organizational settings. To measure the variables under investigation, the authors utilized a variety of assessment tools, detailed in Table **??**.

This study underscores the critical need for healthcare organizations to prioritize the development of interactional and organizational elements that support IPC. By addressing these factors, institutions can better harness the potential of interprofessional collaboration to improve care delivery and patient well-being.

N. Strengthening Interprofessional Collaboration: Insights and Recommendations (Ndibu Muntu Keba Kebe et al., 2019)[3]

Ndibu Muntu Keba Kebe et al. investigated the elements influencing interprofessional collaboration (IPC) within mental health service networks, focusing on individual, interactional, organizational, and professional role characteristics. Their analysis revealed that interactional dynamics and organizational structures were the most influential factors supporting IPC[3].

The study culminated in practical recommendations to enhance IPC in professional settings. The authors suggested actively addressing team cohesion decline, promoting mentorship opportunities for junior staff by experienced professionals, and organizing skill-focused training initiatives. These actions aim to foster awareness of IPC's foundational components, thereby strengthening teamwork and operational efficiency[3].

O. Meta-Ecosystem Dynamics: Transformations and Movements of Matter (Guichard & Marleau, 2021)

Guichard and Marleau (2021) proposed a groundbreaking framework for understanding ecosystems through meta-ecosystem dynamics. Their approach emphasizes the interconnectedness of organic and inorganic matter flows and their role in driving population growth and community assembly. Unlike traditional ecosystem theories, this perspective integrates peripheral processes as essential components rather than

TABLE II
VARIABLES AND INSTRUMENTS

Variable Block	Variable	Instrument Description
Individual Characteristics (IV)	Age	Data collected using a socio-demographic questionnaire.
	Sex	Determined via socio-demographic questionnaire.
	Belief in interdisciplinary benefits	Measured with a 5-item scale ($\alpha = 0.92$, range: 5–35) (Sicotte et al., 2002).
	Team seniority	Socio-demographic questionnaire used for measurement.
Interactional Characteristics (IV)	Knowledge sharing	Assessed with a 5-item scale ($\alpha = 0.93$, range: 5–35) (Bock et al., 2005).
	Knowledge integration	Measured using a 9-item scale ($\alpha = 0.95$, range: 9–63) (Song & Xies, 2000).
	Team commitment	Evaluated using a 4-item scale ($\alpha = 0.86$–0.92, range: 4–28) (Allen & Meyer, 1990).
	Decision-making participation	3-item scale ($\alpha = 0.88$, range: 3–21) (Campion et al., 1993).
	Mutual trust	Measured using a 4-item scale ($\alpha = 0.90$, range: 4–28) (Simons & Peterson, 2000).
	Team climate	19-item scale ($\alpha = 0.60$–0.84, range: 19–133) (Anderson & West, 1998).
	Team conflict	Assessed with a 9-item scale ($\alpha = 0.93$–0.94, range: 9–63) (Jehn & Mannix, 2001).
	Team autonomy	Measured with a 3-item scale ($\alpha = 0.76$, range: 3–21) (Campion et al., 1993).
Organizational Features (IV)	Organizational support	Evaluated with a 4-item scale ($\alpha = 0.84$–0.85, range: 4–28) (Spreitzer, 1996).
	Team size	Obtained from socio-demographic questionnaire.
Role Characteristics (IV)	Profession type	Derived from socio-demographic questionnaire.
	Multifocal identification	12-item scale ($\alpha = 0.65$, range: 12–84) (Van Dick et al., 2004).
Dependent Variable (DV)	IPC	Assessed with a 14-item scale covering communication (5 items), synchronization (3 items), explicit coordination (3 items), and implicit coordination (3 items) ($\alpha = 0.77$–0.91, range: 14–98) (Chiocchio et al., 2012).

incidental factors, bridging gaps between previously isolated areas of research.

The theory expands on metapopulation and metacommunity concepts by illustrating how feedback loops between biodiversity and ecosystem functionality shape dynamic equilibrium states. The authors argue that these feedback mechanisms fundamentally alter my understanding of ecosystem processes, highlighting their role in resource distribution and species interactions.

Drawing on interdisciplinary principles, including nonlinear and non-equilibrium dynamics, Guichard and Marleau developed mathematical models to represent ecosystems through energy fluxes and resource stocks. These models, including an enhanced Rosenzweig-MacArthur predator-prey system with recycling processes, reveal how material cycling influences system stability and community resilience. By shifting focus from static equilibria to dynamic interactions, the framework offers novel insights into ecosystem behaviors.

The authors conclude by advocating for the adoption of meta-ecosystem dynamics as a unifying ecological theory. They emphasize its potential to integrate diverse ecological phenomena and encourage future research to build upon this inclusive framework.

IV. METHODOLOGY

This study employs a rigorous methodology combining theoretical foundations with computational modeling to explore the Biomimetic Replicant Theory (BRT).

A. Research Design

The research is framed within the Biomimetic Replicant Theory (BRT), which models the flow of knowledge, collaboration, and competition in organizational ecosystems by drawing parallels with natural systems. Incorporating insights from game theory, systems theory, category theory, and biomimicry, the framework bridges multiple disciplines to investigate knowledge management dynamics.

a) Mixed Methods Approach: The research integrates case studies and exploratory analysis to address transdisciplinary questions and generate actionable insights[19].

b) Secondary Data Analysis: Quantitative analysis of referenced studies was performed to identify patterns between ecological processes and organizational behaviors[20]. This method provided a basis for understanding how natural systems can inspire organizational knowledge management and strategic planning.

c) Visualization and Interpretation: Visual tools, including scatter plots and trend graphs, were employed to illustrate relationships between variables. These visualizations supported data interpretation and informed conclusions regarding collaboration and resource dynamics.

B. Data Collection

1) Primary Data:

a) The GFG Fractal Model: A computational simulation in NetLogo[21] modeled resource competition among agents in an environment. Variables such as initial entity counts, resource thresholds, and strategic approaches were tracked,

generating datasets that reflected resource utilization and adaptation strategies.

b) "WILDFIRE" Network Diffusion Simulation: A second simulation on NetLogo[22] examined idea diffusion across networks under varying conditions. Parameters like M_{ij}, β_i, $t_{jj'}$, and θ were adjusted to assess their impact on diffusion patterns, providing insights into how innovation spreads within organizational ecosystems.

C. Theoretical Framework

a) Biomimicry as Inspiration: Insights from natural systems were analyzed to identify quantitative patterns and behaviors in ecological interactions, forming the conceptual foundation for the BRT. These biological analogies guided the development of principles applicable to organizational ecosystems.

b) Category Theory Framework: Category theory provided the mathematical structure necessary for a systematic and abstract representation of complex relationships. By utilizing its robust framework, parallels were drawn between diverse datasets, offering a precise methodology to analyze interdependencies within organizational systems. To enhance clarity, commutative diagrams (Figure 1) were employed to illustrate how variables interact and map across datasets, grounding the study in a strong mathematical foundation[10][11].

1) Development of the Biomimetic Replicant Theory (BRT): The Biomimetic Replicant Theory (BRT) emerged as a synthesis of natural patterns and the structured methodologies of category theory. Drawing on precise mathematical formulations, the theory was designed to model the complex interplay of knowledge dynamics within organizational environments.

2) Models, Simulations, and Data Analysis:

a) Model Construction: Mathematical frameworks and network-based modeling platforms like NetLogo were utilized to create models simulating diverse organizational scenarios. These models provided a quantitative representation of interactions and resource distribution.

b) Simulation Scenarios: A series of simulations were conducted to replicate real-world organizational challenges. These experiments evaluated the efficacy of BRT-driven strategies by comparing them to conventional approaches, using quantitative metrics for assessment.

c) SPSS for Data Analysis: Data collected from simulations underwent processing and analysis using IBM SPSS software. A range of statistical methods—from descriptive to inferential—were employed. Predictive modeling and unstructured data analysis were facilitated by SPSS Modeler, enabling the extraction of meaningful insights and patterns.

d) Comparative Insights: Comparative analyses juxtaposed results from GFG Fractal simulations and human behavior datasets. This evaluation highlighted similarities in strategic decision-making and resource optimization under varying environmental conditions, emphasizing equilibrium and adaptation strategies.

e) Bootstrapped Regression Trees (BRT) Approach: A Bootstrapped Regression Trees method was applied to analyze GFG Fractal data. This approach offered robust insights into the influence of initial conditions on strategy evolution and resource allocation, accounting for nonlinearities and interaction effects between variables.

3) Iterative Refinement: Simulation outcomes were scrutinized to identify any gaps between theoretical predictions and observed results. Discrepancies led to iterative adjustments, ensuring the theoretical soundness and practical applicability of the BRT. The primary datasets and models used in this research are available online at nrischling.github.io.

D. The Biomimetic Replicant Theory: An Overview

1) Definition and Principles: The BRT proposes that the most effective human-designed systems derive their efficiency by emulating natural solutions. It emphasizes understanding and adapting the underlying principles of natural processes rather than merely replicating them[18]. Unlike innovations such as digital twins, which provide virtual replicas of systems, BRT advocates aligning organizational strategies with nature's design paradigms[23].

E. Three Foundational Laws of BRT

I. Optimization through Emulating Nature:

a) Mimicry for Efficiency: Nature's refined mechanisms, developed over millennia, offer insights for optimizing human systems[7]. For example, bullet train designs modeled after bird beaks or termite-inspired architectural solutions for temperature control highlight how natural efficiencies can inspire human innovation.

II. Human Systems Cannot Surpass Natural Optimization:

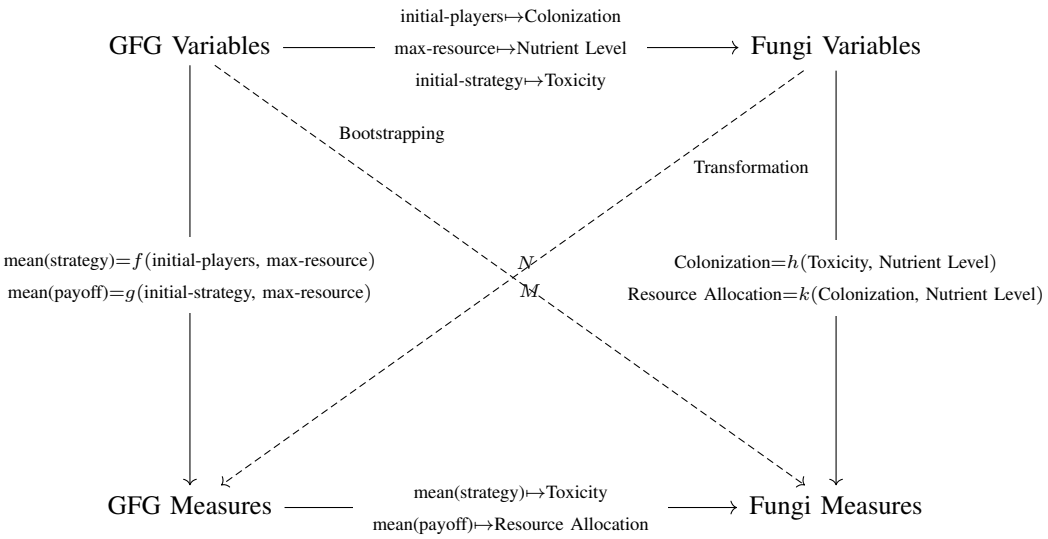
b) Acknowledging Limits: Artificial systems inherently fall short of the optimization achieved by their natural counterparts due to the immense complexity and interdependencies of natural systems[24][25]. This limitation underscores the importance of leveraging nature as a benchmark while acknowledging the boundaries of human understanding.

III. Human Systems are Synthetic Extensions of Nature:

c) Rooted in Natural Analogies: Human systems fundamentally stem from natural precedents, challenging me to consistently draw inspiration from the natural world[26]. For instance, the internet mirrors the decentralized structure of mycelial networks, and organizational hierarchies often reflect patterns observed in animal societies.

F. Generative Fractal Games (GFGs) in the Context of Biomimetic Replicant Theory

Generative Fractal Games (GFGs) provide a unique lens to study the dynamics of complex systems, bridging human-made and natural processes. Aligned with non-cooperative game theory, GFGs model interactions where individual entities prioritize personal benefits, often at the system's expense. This aligns with Fujiwara and Greve's observations on non-cooperative games, where strategies are self-serving and may lead to suboptimal systemic outcomes[27].



Notation and Definitions:

F : A functor that maps variables from the GFG model to the Fungi model.
G : Expressions representing mathematical relations in the GFG framework.
H : Expressions representing mathematical relations in the Fungi framework.
I : A functor associating measures from the GFG model to those in the Fungi model.
N : A natural transformation depicting bootstrapping processes in the GFG model.
M : A natural transformation depicting transformation processes in the Fungi model.

Fig. 1. Extended Commutative Diagram for Methodological Integration: A Category-Theoretic Approach.

The fractal nature of GFGs introduces a multi-scale perspective, wherein interactions at smaller levels cumulatively impact broader dynamics. This hierarchical framework mirrors natural systems, emphasizing interconnectivity and emergent behaviors. Moreover, the generative component underscores the adaptive and evolving nature of systems, with new dynamics emerging as interactions unfold[16].

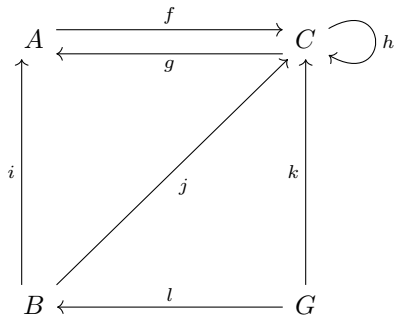
John Nash's groundbreaking exploration of equilibria in non-cooperative games provides a critical framework for understanding Generative Fractal Games (GFGs)[28]. Nash equilibrium[5] is defined as a condition where no participant can improve their payoff by unilaterally altering their strategy, assuming the strategies of others remain fixed. Within the GFG paradigm, Nash equilibria are depicted as stability points that exist across various hierarchical levels. However, given the dynamic and generative properties of GFGs, these equilibria are not fixed; they continuously shift and evolve, symbolizing the intrinsic instability and incompleteness of systemic balance.

This dynamic aligns with Gödel's incompleteness theorems, which argue that within any consistent formal framework, there are propositions that cannot be definitively proven or disproven[12]. Similarly, the Biomimetic Replicant Theory (BRT) suggests that true equilibrium in complex systems, such as those modeled by GFGs, is an elusive and ever-changing target. This perspective highlights the evolving nature of equilibrium states and their dependence on the intricate interactions of system components.

By synthesizing Nash's equilibrium concept with the generative, fractal, and incompleteness attributes of GFGs, a dynamic, multi-scalar system emerges. Here, equilibria at localized levels influence and are shaped by equilibria at broader scales. This recursive interaction illustrates the fluid nature of strategies and systemic balance, making it a powerful model for understanding complexity in ecological, economic, and organizational systems.

The GFG framework offers a holistic view, portraying individual entities as integral components of a larger, interconnected system. Each element both contributes to and is influenced by the broader system dynamics, embodying the fractal and universal characteristics observed in both natural and human-engineered systems[29].

1) BRT and the Universe as a Generative Fractal Game: The universe can be envisioned as a vast, interconnected generative fractal game, where every element, from the cosmic scale of galaxies to the microscopic scale of atoms, contributes to the structure and evolution of the whole. Within the BRT framework, human-designed systems are conceptualized as participants within this broader generative game, simultaneously shaping and being shaped by the larger context (Guichard, 2021).



Key:

X_1 : Actor 1
X_2 : Actor 2
X_c : Collaborative Actor
S : Scenario
a : Actions/Techniques
b : Stable state
c : Dynamics/Changes
d : Map: Actor 2 $\rightarrow$ Actor 1
e : Map: Actor 2 $\rightarrow$ X_c
f : Map: Scenario $\rightarrow$ X_c
g : Map: Scenario $\rightarrow$ Actor 2

Fig. 2. Dynamic Framework of Generative Fractal Games (GFGs) within Adaptive Systems Theory: A Hierarchical Visualization of Strategic Interactions and Evolutionary Mechanisms. This framework depicts the intricate relationships between individual agents (A and B), their integrated system (C), and the encompassing environment (G). The directional arrows signify pathways such as decision-making, state transitions, and emergent behaviors, encapsulating the adaptive and recursive characteristics of GFGs.

2) Decomposition of Equilibrium: In the GFG construct, strategies remain in constant flux, adapting to the shifting dynamics of the system. This mirrors the dynamic equilibrium seen in nature, where organisms and processes continuously evolve in response to external stimuli[30]. Drawing from Gödel's incompleteness principles, any equilibrium state in a GFG is inherently temporary and cannot be fully comprehended or defined during its existence. This introduces an element of unpredictability and underscores the inherent limitations in fully modeling such systems[31].

3) Implications for Systems Understanding:

a) Interconnected Hierarchies: The GFG framework proposes that systems function within nested, interdependent hierarchies, offering a robust tool for modeling and analyzing complex, multi-layered structures[9].

b) Evolving Equilibrium: This model challenges static equilibrium frameworks, emphasizing the importance of adaptability and responsiveness in the design and operation of sustainable systems[32].

c) Practical Analogies: The Generative Fractal Game (GFG) framework provides a valuable perspective for analyzing and predicting the behavior of complex systems, ranging from market operations to ecological networks.

d) Strategic Management and Organizational Dynamics: The principles of GFG can be applied to enhance organizational strategies by fostering adaptability, iterative decision-making processes, and alignment with the efficiencies observed in natural systems[9]. Moreover, the framework incorporates game theory as a pivotal analytical approach to explore the strategies and payoffs inherent in collaborative and competitive environments. Through game theory modeling, it becomes possible to uncover the mechanics behind cooperative behaviors and forecast outcomes in a manner that is consistent with the foundations of Biomimetic Replicant Theory (BRT).

G. Introducing the Influence Applicability Uptake Function

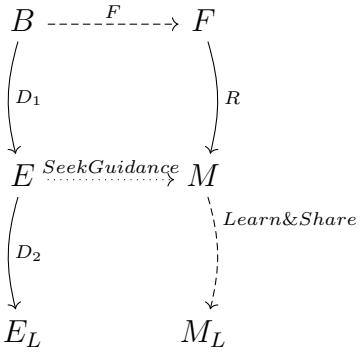
To delve deeper into the applications and mathematical formulations underpinning Biomimetic Replicant Theory (BRT), it is essential to highlight a key analytical tool: the Influence Applicability Uptake Function. This mathematical construct provides a means to quantify how various influences are adopted, disseminated, and utilized within a networked system.

By integrating this function into the BRT framework, the theoretical constructs gain an empirical foundation, enhancing their practical utility. This integration offers actionable insights into several areas, such as evaluating the optimization level of a system, measuring the adoption of strategies within Generative Fractal Games (GFGs), and refining the Universal Mathematical Framework for Network Relationships (UMFNR) for improved precision and application.

a) Knowledge Systems and Organizational Strategies: The GFG framework, with its emphasis on systematic data utilization and the notion that human systems are derivative of natural ones, provides organizations with an opportunity to redesign their knowledge management approaches. By adopting strategies that emulate the efficiency of natural systems, organizations can optimize their structures and operations[34].

b) Ethical Considerations and Philosophical Insights: Rooted in nature, BRT encourages organizations to adopt sustainable and ethical practices. Additionally, the acknowledgment of inherent limitations in fully understanding systems can foster a shift in philosophical approaches to knowledge, truth, and the pursuit of understanding.

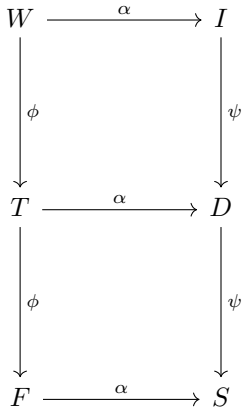
Integrating Nash's equilibrium into the fractal and generative nature of GFGs allows for the conceptualization of a multi-layered dynamic system. Equilibria at smaller scales not only influence but are also shaped by larger-scale equilibria, creating a framework for analyzing complex systems across ecological, economic, and organizational domains.



Key:

A : Agent
T : Task selection based on experience
P_1 : Agent's perception of options
S : Providing valuable inputs
W : Worker
P_2 : Worker's judgment from feedback
L : Leader
W_E : Worker post-experience
L_E : Leader post-collaboration
— : Direct flow of insights or interaction
- - - : Evaluation process
- · - : Strategy or pattern of evaluation

Fig. 3. Fractal Model of Behavioral Dynamics showcasing the intricate processes of information exchange and decision-making among bees and organizational roles like managers and employees. The diagram highlights how both groups filter diverse data streams to extract meaningful insights, leveraging structured interactions and adaptive strategies to optimize resource allocation and knowledge dissemination [33].



Key:

F : Flow of Water in a River Network
C : Circulation of Information in a Network
N : Nodes (e.g., Reservoirs in water flow)
G : Groups or Individuals (in information network)
M : Movement of Water (in river network)
R : Spread of Messages or Data (in information network)
β : Mapping from Water Flow to Information Circulation Concepts
γ : Connections within the River Network
δ : Connections within the Information Network

Fig. 4. Commutative Diagram Depicting the Influence Adoption and Impact Dynamics within Biomimetic Replicant Theory (BRT). This diagram compares the Wildfire Spread model and the Idea Diffusion model to showcase the framework's role in measuring the assimilation, effectiveness, and dissemination of influences across varied networks. The arrows represent transformations and interactions that contribute to optimizing system dynamics, adopting Generative Fractal Game strategies, and refining the Universal Mathematical Framework for Network Interactions. Refer to A for detailed technical specifications.

V. Data Analysis

BRT underscores the intricate interplay between individual actors and the broader systems they inhabit. This relationship is empirically demonstrated through a line plot illustrating the interaction between resource availability and population dynamics. The non-linear trends revealed in such plots highlight the role of system-level constraints—such as environmental limitations—in shaping individual strategies and behaviors[35]. Within the GFG framework, these findings emphasize the critical need for multi-scale approaches to fully understand the complexities of interconnected systems.

A. Exploring Human Cooperation through the "GFG Fractal" Model

The "GFG Fractal" model has proven instrumental in analyzing the evolution of strategies and resource utilization within the context of BRT. A comparative analysis with the study *"Evidence for Strategic Cooperation in Humans"* enriches my understanding of cooperative and competitive dynamics in complex systems.

a) Adaptive Behavior Across Levels: Human behavior studies reveal how individuals adjust their cooperation based on environmental and social cues. Similarly, in the "GFG Fractal" model, turtles modify their strategies in response to resource availability and interactions. These parallels highlight the universal nature of adaptive behavior across species and scales.

b) Equilibrium in Strategy and Outcomes: Both humans and turtles exhibit tendencies toward equilibrium. In the human study, individuals balance cooperation and self-interest to optimize their perceived benefits. Likewise, the turtles in the model reach a strategic balance to maximize their payoffs,

underscoring the natural gravitation toward stability in diverse systems.

c) Social and Environmental Impacts: The human study emphasizes how external social and environmental factors influence cooperative behavior. In the "GFG Fractal" model, turtles adapt their strategies based on feedback from their environment and interactions with peers, reinforcing the universality of context-driven adaptation.

d) System Response to Change: Just as human cooperation shifts under varying conditions, the model demonstrates how entities adapt their strategies in response to changing resource availability. This adaptability reflects the resilience and responsiveness embedded in both human and modeled systems.

The comparative insights between the human study and the "GFG Fractal" model affirm BRT's foundational principles. These findings highlight the universal dynamics of competition and cooperation, reinforcing the theory's applicability across both natural and human-engineered systems.

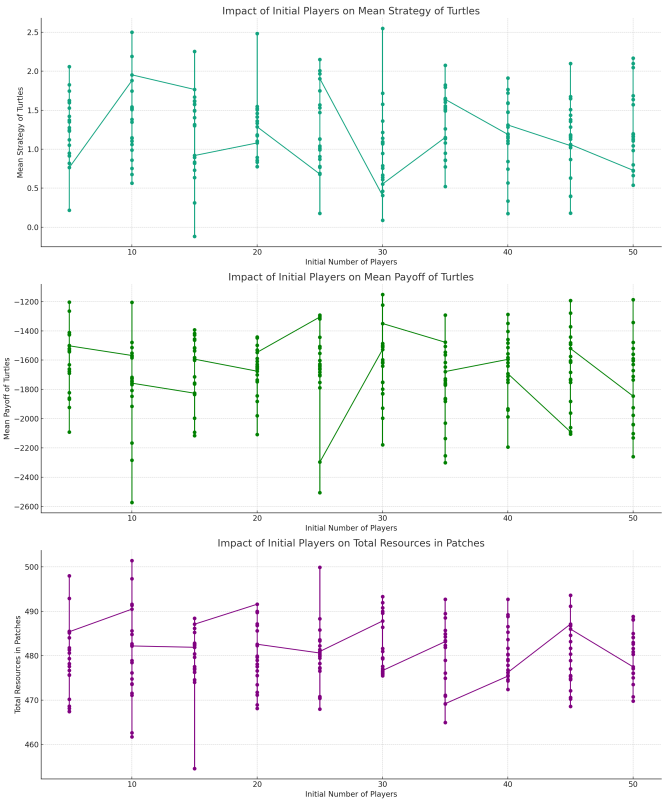


Fig. 5. Illustration of how the starting number of participants influences the strategy and payoff outcomes in the "GFG Fractal" model. The y-axis reflects the average values for both strategy and payoff, highlighting their correlation with the x-axis, which tracks the initial number of players. As the player base grows, a clear pattern emerges, revealing the essential feedback mechanisms and adaptive responses that are key to the model's structure and to human collaborative behavior.

B. Fractal Variability and System Dynamics

According to BRT, systems inherently display fractal properties, with complexity and variability observable across multiple layers of scale. Figure 5 demonstrates this principle by illustrating the distribution of turtle populations across varying resource levels. As resource levels increase, so too does the variability in turtle counts, showcasing the emergence of more intricate dynamics. This rising variability underscores the fractal nature of these systems, where greater resource availability fosters increased complexity, aligning with BRT's theoretical framework.

C. Generative Constructor Theory Framework (GCTF)

1. Establishing Fundamental Tasks

The initial step involves identifying the most basic task within the network, denoted as T_1. For example, T_1 might represent the task: "Can computer A establish a connection with the local router B?"

2. Determining Task Outcomes

Each task T_i has an associated outcome, represented as $O(T_i)$, which can be either possible (P) or impossible (I).

3. Building Tasks Generatively

For every subsequent task T_{i+1}, the outcome of the previous task, $O(T_i)$, influences its feasibility. For instance, consider T_2, defined as "Can computer A access an internet website?" If $O(T_1) = I$ (impossible), then $O(T_2)$ automatically becomes impossible.

The generative relationship can be expressed mathematically as:

$$O(T_{i+1}) = \begin{cases} P & \text{if } O(T_i) = P \text{ and all conditions for } T_{i+1} \text{ are satisfied} \\ I & \text{otherwise} \end{cases}$$

4. Constructing Task Hierarchies

This process continues iteratively, with each task's feasibility determined by its preceding outcomes, thereby constructing a hierarchical network of tasks. The sequence of tasks can be expressed as:

$$T_1, T_2, T_3, \ldots, T_n$$

with corresponding outcomes:

$$O(T_1), O(T_2), O(T_3), \ldots, O(T_n)$$

Mathematical Representation: For a sequence of tasks $T = \{T_1, T_2, \ldots, T_n\}$, the outcomes $O(T)$ are determined recursively using the generative rule:

$$O(T_{i+1}) = \begin{cases} P & \text{if } O(T_i) = P \text{ and all conditions for } T_{i+1} \text{ are met} \\ I & \text{otherwise} \end{cases}$$

Key Considerations:

- "Other conditions" in the generative rule refer to external factors required for task feasibility. For example, even if a computer connects to a local router, it might fail to access the internet if the ISP is unavailable.
- The GCTF can be visualized as a decision tree, with nodes representing tasks and branches representing possible or impossible outcomes.

- This framework highlights the foundational structure of what is feasible within a network, forming a hierarchy of tasks from basic to complex.

D. UMFNR and Dynamics of Influence Uptake

The Universal Mathematical Framework for Network Relationships (UMFNR) provides a powerful structure for analyzing the interactions between networks. To enhance its utility, the Influence Applicability Uptake Function is introduced, refining the framework to capture the nuanced dynamics of influence uptake within networks:

$$UMFNR = g(P(N_1, z_1^j), P(N_2, z_2^j), \ldots, P(N_n, z_n^j), P(N_{\text{ref}}, z_{\text{ref}}^j)) \tag{1}$$

In this equation, z_i^j represents the uptake of various influences across networks at different scales, adding depth to the analysis. This allows UMFNR to adapt to evolving conditions and to model inter-network influence in a more precise and dynamic manner.

Network Definitions:

$N_1, N_2, \ldots, N_n$: Networks under analysis.

N_{ref} : A reference network for benchmarking.

Network Property Representation:

$P(N_i)$: Captures the defining properties of a network N_i.

Establishing Network Interrelations:

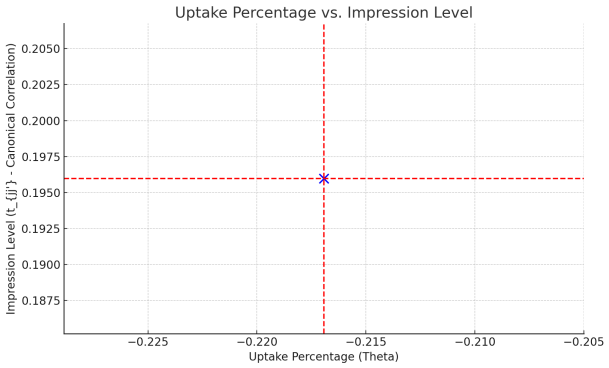


Fig. 6. *Impact of Node Exposure on Influence Adoption.* This graph shows how the frequency of interactions (node exposure) within a network correlates with the likelihood of those nodes adopting new influences. Each point represents a node, illustrating a strong connection between frequent interactions and a higher propensity to adopt innovations. This underscores the crucial role of prominent nodes in the dissemination of ideas across networks.

General relationship function:

$$G(P(N_1), P(N_2), \ldots, P(N_n)) = P(N_{\text{ref}})$$

To incorporate the fractal properties inherent to BRT, the function G is refined to operate across different scales:

$$G_j(P(N_{1,j}), P(N_{2,j}), \ldots, P(N_{n,j})) = P(N_{\text{ref},j})$$

where j represents a specific scale in the fractal hierarchy.

Incorporating Correlation Measures:

Define $\sigma(N_a, N_b)$ as a correlation measure between networks N_a and N_b. Applying this measure, the relationship function for each network N_i becomes:

$$G_j(\sigma(N_{1,j}, N_{\text{ref},j}), \sigma(N_{2,j}, N_{\text{ref},j}), \ldots, \sigma(N_{n,j}, N_{\text{ref},j})) = P(N_{\text{ref},j})$$

Key Parameters:

- $N_1, N_2, \ldots, N_n$: Networks analyzed.
- N_{ref}: Reference network.
- $P(N_i)$: Function describing network properties.
- G: General relationship function.
- j: Fractal hierarchy scale.
- σ: Correlation measure.

E. Validating Influence Uptake Using Real Data

Mathematics often reveals its power by modeling real-world phenomena. To evaluate the proposed uptake function, I apply it to empirical data:

$$z_i^j = M_i^j + \emptyset\gamma^j(M_i^j, \beta_i)(M_i^{j'})^{t_{jj'}} \tag{2}$$

Key elements of this function include:

- **Receptiveness and Resistance:** The term M_i^j reflects the openness of a network at scale j to influences. This could correspond to "toxicity" levels in the data, where increased toxicity correlates with reduced receptiveness.
- **Dynamic Interactions:** The variable $t_{jj'}$ captures the influence exerted by one network on another, evolving over time as interactions shift within datasets like 'Strategic_Coop'.
- **Frequency of Strategy Adoption:** The uptake percentage θ mirrors how frequently players in datasets like 'Strategic_Coop' adopt specific strategies during iterative phases of interaction.

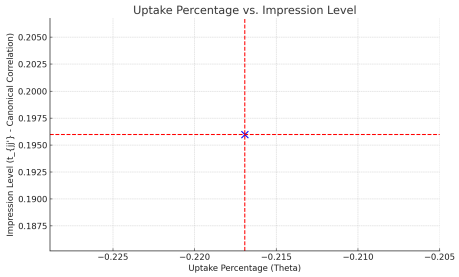


Fig. 7. *Exposure Frequency and Idea Acceptance.* This graph illustrates the relationship between the frequency of exposure a node receives and its likelihood of accepting new ideas. The observed trend indicates that increased exposure is associated with a higher rate of acceptance, highlighting the importance of frequent interactions in the spread of innovations.

By integrating these variables into the function, I assess its predictive accuracy against observed data. When discrepancies arise, they provide opportunities for refining the model, strengthening its explanatory power over time.

This exploration, though preliminary, lays the groundwork for validating the uptake function through broader datasets, offering actionable insights into the behavior of complex systems.

Step-by-Step Guide to Application:

- **Define Networks:** Identify the networks of interest $N_1, N_2, \ldots, N_n$ and a reference network N_{ref}.
- **Analyze Properties:** Use $P(N_i)$ to extract critical properties of each network.
- **Apply the Function:** Employ G to relate the networks to the reference, incorporating fractal scales G_j as needed.
- **Evaluate Correlations:** Use σ to measure relationships between each network and the reference.
- **Interpret Results:** Assess the dynamics and relationships uncovered between the networks.

VI. Results and Observations

A. Biomimicry as a Model for System Efficiency

By examining natural systems like mycorrhizal networks through the lens of BRT, I identified parallels that inform human-made systems. These fungal networks, often referred to as the "wood wide web"[36], exemplify optimized resource allocation, resilience, and adaptability. This efficiency aligns with the Generative Constructor Theory Framework (GCTF), which mirrors natural patterns in hierarchical task outcomes, from basic nutrient exchange to complex defensive strategies.

B. Optimizing BRT: A Quantitative Perspective

The cornerstone of Biomimetic Resource Theory (BRT) lies in its ability to enhance human systems by grounding its principles in empirical evidence. To further this capability, I introduce the Influence Applicability Uptake Function as a key component of the framework. The formula:

$$BRT_{\text{Optimization}} = \alpha \times (BRT_{\text{original}} + z_i^j) \tag{3}$$

provides a means to measure system-level optimization. Here, z_i^j acts as a metric for influence uptake, enabling a more actionable application of BRT across various organizational contexts.

C. Translating Insights from Nature to Organizations: The Role of GCTF and UMFNR

Applying the Generative Constructor Theory Framework (GCTF) to mycorrhizal networks offered profound insights. Beginning with basic tasks such as nutrient transfer, I constructed a layered understanding of their operations, showcasing the networks' capacity for efficiency and resilience[35]. Similarly, the Universal Mathematical Framework for Network Relationships (UMFNR) provided a systematic way to compare natural networks like mycorrhizal systems with human-engineered systems such as supply chains.

Despite operating in distinct environments, these systems share core principles: adaptability, resource efficiency, and resilience. By utilizing correlation measures like σ, I were able to draw quantitative parallels, identifying actionable strategies for improving human systems based on natural ones.

D. Insights and Applications: The Core of BRT

The comparative analysis of natural and human-made systems illuminated significant parallels. For example, nutrient transfer efficiencies observed in mycorrhizal networks closely mirror strategies for optimizing distribution in supply chains. By studying these similarities, I derived innovative strategies for human systems inspired by natural models.

This research underscores BRT's ability to bridge the wisdom of nature with the needs of modern organizations. The results demonstrate how BRT provides a clear pathway for designing sustainable, adaptive, and efficient systems in organizational contexts.

VII. Conclusion

Biomimetic Resource Theory (BRT) offers an invaluable perspective on navigating the complexities of organizational dynamics by drawing inspiration from natural ecosystems. My study highlights the interplay between collaboration, competition, and conservation within organizations, revealing lessons that parallel the balance achieved in ecological systems.

The research underscores a critical shift: moving from a functional approach to one focused on intent in managing organizational knowledge. By emphasizing adaptability and fostering stronger connections between insights and data-driven strategies, BRT positions itself as a vital framework for addressing evolving challenges.

The parallels drawn between natural systems and organizational practices reveal universal strategies for efficiency and resilience. Just as ecosystems strike a balance for survival and growth, organizations must recalibrate their knowledge-sharing and resource allocation strategies to foster long-term sustainability.

Ultimately, BRT offers more than a theoretical foundation—it provides a roadmap for organizations to adapt and thrive. By aligning with the dynamics of knowledge flow, organizations can ensure sustainable growth while paving the way for a future centered on adaptability and ecological harmony.

VIII. Recommendations

A. Practical Strategies for Implementation

1) Forming a BRT Strategy Team: Organizations should establish a cross-disciplinary team with expertise in systems thinking, organizational behavior, and natural sciences. This team would be responsible for:

- Conducting a comprehensive audit to identify areas where BRT principles can be most impactful.
- Creating an implementation roadmap with measurable objectives and key performance indicators.

2) Enhancing Knowledge Flow: Leveraging the BRT framework, organizations can develop innovative knowledge-sharing systems that balance collaboration and competition. Examples include:

- Establishing a dynamic *knowledge exchange platform* where employees can share insights and resources.
- Introducing gamified systems to encourage competitive but constructive knowledge dissemination.

3) Sustainable Resource Allocation: Guided by BRT's emphasis on conservation, organizations can adopt resource allocation models inspired by ecological principles. Algorithms rooted in ecological optimization can help manage finite resources more efficiently.

B. Anticipated Challenges and Solutions

1) Resistance to Change: Introducing BRT may encounter resistance from employees accustomed to existing practices.

- **Solution**: Offer targeted training sessions and workshops to demonstrate the value and benefits of adopting BRT principles.

2) Complexity of Implementation: Scaling BRT across an entire organization might require substantial structural changes.

- **Solution**: Start with small-scale pilot programs to test the framework's effectiveness before rolling it out broadly.

IX. Future Directions

A. Expanding the Scope of BRT

1) Broader Applications Beyond Corporations: While current research primarily addresses BRT's relevance in corporate environments, there remains significant potential to explore its utility in alternative contexts, including non-profit organizations, academic institutions, and public-sector frameworks. Such exploration could uncover novel applications and adaptations of BRT tailored to these distinct organizational ecosystems.

2) Ethical Considerations: Future studies must delve into the ethical dimensions of applying biomimetic principles from natural ecosystems to human organizations. This would ensure that the implementation of BRT aligns with ethical standards, fostering responsible and sustainable practices in diverse contexts.

B. Interdisciplinary Collaborations

1) Partnerships with Ecologists and Mathematicians: Collaboration with ecologists presents an opportunity to draw deeper insights from the mechanisms of natural resource distribution and ecosystem resilience. Mathematicians, on the other hand, could assist in translating these biological principles into robust computational models, enabling practical applications across organizational systems.

2) Involvement of Organizational and Behavioral Scientists: By working closely with experts in organizational dynamics and behavioral science, BRT can be refined to account for the complexities of diverse workplace cultures and structures. These insights would help tailor the framework to address specific challenges faced by different types of organizations.

C. Towards a Resilient and Adaptive Framework

Integrating knowledge from multiple disciplines will enhance the versatility and robustness of BRT. This multidisciplinary approach ensures that the framework evolves into a comprehensive tool capable of addressing the complex and varied demands of modern knowledge management systems.

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APPENDIX

A. Modeling the Spread of Ideas

1) Introduction: The Idea Spread Model is designed to emulate how ideas disseminate within organizations. Drawing parallels with wildfire dynamics, this model provides valuable insights for enhancing the distribution of concepts or initiatives across a corporate structure.

2) Key Parameters:

- **Influence Factor**: Quantifies the ability of a department or individual to promote and spread ideas.
- **Receptivity Factor**: Measures the openness of a department or individual to accepting new ideas.
- **External Market Influence**: Captures the role of external forces, such as market trends, in shaping the spread of ideas.

3) Mathematical Representation: The propagation mechanism is captured by the equation:

$$\begin{aligned} I_{\text{spread}} = f(&\text{Influence Factor},\\ &\text{Receptivity Factor},\\ &\text{External Market Influence}) \end{aligned} \tag{4}$$

Here, I_{spread} symbolizes the extent to which ideas circulate within an organization.

4) Practical Implementation: The model has been developed using NetLogo, an agent-based simulation platform. Departments or individuals are represented as agents, and their interactions—governed by the parameters above—simulate the flow of ideas.

5) Influence Applicability Uptake Function: A critical element of the Idea Spread Model is the *Influence Applicability Uptake Function*[37], which illustrates the rate of idea adoption as influenced by various factors.

$$U(t) = \frac{K}{1 + e^{-r(t-t_0)}} \tag{5}$$

Where:

- $U(t)$: Uptake of the idea at time t.
- K: Maximum potential uptake.
- r: Adoption rate.
- t_0: Point of maximum adoption acceleration.

This sigmoidal function describes uptake behavior over time, beginning with slow adoption, accelerating as influencing factors become prominent, and eventually leveling off as saturation is reached. It provides a mathematical backbone for the model, elucidating the dynamic factors that govern the spread of ideas within organizations.

B. Bees and Managers Model

1) Introduction: The Bees and Managers Model draws inspiration from the collective decision-making processes of bees to simulate managerial behaviors. By studying how bees reach consensus, this model aims to inform and optimize decision-making strategies within corporate environments.

2) Key Parameters:

- **Information Availability**: Reflects the extent of accessible information for decision-making.
- **External Influences**: Represents the impact of external pressures or conditions on decisions.
- **Internal Communication**: Measures the degree of interaction and information exchange among managers.

3) Mathematical Representation: The decision-making dynamics are expressed as:

$$D_{\text{decision}} = g(\text{Information Availability}, \text{External Influences}, \text{Internal Communication}) \quad (6)$$

Here, D_{decision} captures the outcome of the decision-making process influenced by the stated parameters.

4) Implementation Approach: The specific implementation methodology for this model involves simulating the decision-making environment, incorporating the identified parameters to replicate how managers interact, process information, and respond to internal and external stimuli.

C. Idea Spread Model - "WILDFIRE"

1) Experimental Configuration:

```
breed [initiatives idea]
breed [adopters follower]
breed [departments sector]

globals [
  threshold-adoption
  adoption-lifespan
  simulation-duration
]

to initialize-organization [count-sectors]
  create-sectors count-sectors [
    set shape "circle"
    set size 2
    setxy random-xcor random-ycor
  ]
end

to setup
  clear-all
  set-default-shape turtles "square"
  initialize-organization num-sectors

  ask patches [
    if random-float 1 < 0.25 [ set pcolor
        green ]
  ]

  ask one-of patches with [pcolor = green] [
    sprout-initiatives 1 [ set color red ]
  ]
  reset-ticks
end

to go
  if not any? turtles [ stop ]

  ask initiatives [
    let neighboring-patches neighbors4 with
        [pcolor = green]
    ask neighboring-patches [
      if compute-adoption >
          threshold-adoption [
        set pcolor blue
        sprout-followers 1 [ set color blue ]
      ]
    ]
  ]

  ask followers [
    if ticks - [tick-created] of self >
        adoption-lifespan [ die ]
  ]
  tick
end

to-report compute-adoption
  let external-effects random-float 1
  report external-effects * 0.75  ;; Example
      weight assigned to external influences
end
```

D. Fractal Adaptation and Variability Model

1) Experimental Setup:

```
turtles-own [
  strategic-level
  resource-accumulation
  adaptive-state
  generations
  actions
  fractal-edge
]

globals [
  adaptation-threshold
  max-strategy-depth
]

to setup
  clear-all
  setup-patches
  create-turtles initial-players [
    set shape "triangle"
    set strategic-level random
        initial-strategy
    set resource-accumulation 0
    set adaptive-state false
    set generations 1
    set fractal-edge 5
    recolor-agent
  ]
  reset-ticks
end
```

Variable/Metric	Definition	(Min, Step, Max)
`initial-players`	The number of initial entities active in the simulation	(5, 5, 50)
`max-resource`	The maximum value for resources available on patches	(0.5, 0.5, 2)
`initial-strategy`	Starting strategic depth assigned to agents	(1, 1, 5)
`count turtles with [equilibrium = true]`	Count of agents that reached equilibrium	-
`mean [strategy] of turtles`	Mean value of all agents' strategic levels	-
`mean [payoff] of turtles`	Average payoff calculated for all agents	-
`count turtles`	Total number of agents in the simulation	-
`sum [resource-here] of patches`	Aggregate of all resources across the environment	-

TABLE III
KEY VARIABLES AND METRICS IN THE WILDFIRE SIMULATION FRAMEWORK

Variable/Metric	Definition	(Min, Step, Max)
`initial-players`	Number of agents active at simulation start	(5, 5, 50)
`max-resource`	Highest resource availability per patch	(0.5, 0.5, 2)
`initial-strategy`	Baseline strategic assignment to agents	(1, 1, 5)
`mean [strategy] of turtles`	Average strategic depth across agents	-
`count turtles`	Aggregate number of agents active in the simulation	-
`sum [resource-here] of patches`	Total resources distributed among patches	-

TABLE IV
PRIMARY VARIABLES AND METRICS FOR THE FRACTAL ADAPTATION SIMULATION

```
to go
  if not any? turtles [ stop ]

  ask turtles [
    evaluate-environment
    gather-resources
    update-strategy
  ]
  tick
end

to evaluate-environment
  let local-payoff sum
      [resource-accumulation] of turtles-on
      neighbors4
  if local-payoff > adaptation-threshold [
      set adaptive-state true ]
end

to gather-resources
  if adaptive-state [
    set resource-accumulation
        resource-accumulation + random-float
        max-strategy-depth
  ]
end

to update-strategy
  if adaptive-state [
    set strategic-level strategic-level + 1
    recolor-agent
  ]
end

to recolor-agent
  set color scale-color green strategic-level
      0 max-strategy-depth
end
```

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Automated Detection of Retinopathy Using EfficientNetB3: A Comprehensive Approach

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Automated Detection of Retinopathy Using EfficientNetB3: A Comprehensive Approach

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Abstract

Retinopathy, which can happen because of diabetes and other systemic diseases, is a major cause of preventable blindness worldwide. To treat this condition effectively, it is important to be able to recognise and deal with the causes. Rapid progress in deep learning has made automated retinopathy detection methods more practical. This has made diagnosis easier and more accurate.

This study uses EfficientNetB3, a state-of-the-art convolutional neural network, to create an automated method for detecting retinopathy. We created the model by grouping a collection of retinal images into five severity levels. We used different methods such as image scaling, normalisation, and data augmentation to improve picture quality and make the model more stable. We carefully improved EfficientNetB3 using transfer learning to ensure its accurate recognition of retinal images. A test and validation accuracy of 99% showed that the model was very good at identifying the stages of retinopathy.

The results show that the suggested method is a useful, scalable, and effective way to identify retinopathy. This implies its applicability in both real-life clinical settings and telemedicine systems. Increasing the variety of data and using advanced enhancement techniques will help the model work better for a wider range of people.

Keywords: Retinopathy, EfficientNetB3, Transfer Learning, Deep Learning, Retinal Imaging.

1. Introduction

One of the leading causes of avoidable blindness worldwide is retinopathy, a common eye illness that primarily arises as a consequence of diabetes, hypertension, or other systemic problems. Diabetes retinopathy has become a significant public health concern due to the increasing prevalence of diabetes worldwide. Failure to properly diagnose and treat retinopathy can lead to blindness or severe visual loss. The fact that prompt diagnosis and action are essential in averting negative consequences highlights the importance of precision in disease management.

The diagnosis of retinopathy has historically relied on qualified ophthalmologists analysing retinal fundus pictures to find abnormalities such as haemorrhages and microaneurysms that indicate the condition. However, this approach can be time-consuming and resource-intensive, and it is prone to human error, especially in places with limited access to specialist medical personnel. Deep learning-powered automated diagnostic systems are a major step forward in tackling these issues. By using big datasets and advanced neural networks, these systems hope to

speed up, improve, and even replace manual diagnosis with solutions that are scalable, reliable, and easy to use.

Convolutional neural networks in the EfficientNet collection have garnered attention lately because of their efficacy and exceptional performance in a range of computer vision tasks. The EfficientNetB3 version perfectly balances accuracy and computational complexity, making it ideal for medical image analysis. This work presents a novel approach to automated retinopathy identification using EfficientNetB3.

This study's primary goal is to develop a robust model that can classify retinal pictures into five different retinopathy severity levels. We refine the model on a collection of retinal fundus images using transfer learning with EfficientNetB3. We use image preprocessing techniques such as resizing, normalisation, and data augmentation to enhance model performance and address issues such as class imbalance and image quality variability.

This work examines EfficientNetB3's ability to achieve high accuracy and computational efficiency for retinopathy detection. Additionally, the study shows how important it is to use transfer learning in medical imaging applications and looks into possible ways to make models more useful and flexible in different situations.

This automated retinopathy detection technology greatly aids the continuous integration of artificial intelligence into healthcare systems, which aims to improve early diagnosis and lessen the global problem of blindness.

2. Objectives

1. Construct a strong and efficient model for classifying retinopathy via EfficientNetB3.
2. Utilise efficient processing methods to improve image quality.
3. Employ transfer learning to utilise pretrained EfficientNetB3 features.
4. Assess the model's efficacy using conventional metrics such as accuracy, sensitivity, and specificity.
5. Exhibit relevance in real-world scenarios.

3. Literature Review

Deep learning has transformed medical imaging by facilitating automated systems for the detection and classification of diseases, such as retinopathy. Through basic studies, Gulshan et al. (2019) showed that convolutional neural networks (CNNs) are very good at diagnosing diabetic retinopathy by using large retinal datasets. Their work demonstrated the efficacy of CNNs in the early detection of diseases. In 2020, Yoo et al. used transfer learning to look at the retina and show that finetuning architectures like ResNet and InceptionV3 with medical data makes a big difference in how well they work. In a similar vein, Qureshi et al. (2021) emphasised the implementation of attention mechanisms within CNNs for the detection of microaneurysms, which serve as an early indicator of diabetic retinopathy, attaining a classification accuracy of 91.8%.

The introduction of EfficientNet as a refined collection of CNN architectures has significantly broadened the opportunities within medical imaging. EfficientNet, as introduced by Tan and Le (2019), achieves a balance between computational efficiency and accuracy. The EfficientNetB3 variant is becoming more and more popular for tasks that need to recognise small details, like putting retinal diseases into groups. Hu et al. (2022) showed this by getting a classification accuracy of 92% with EfficientNetB3 on a multi-class retinopathy dataset. This showed how well it can handle complex medical image data.

Preprocessing techniques have demonstrated a considerable influence on the performance of models in the analysis of retinal images. Ramachandran et al. (2020) pointed out that standardising image inputs through resizing, normalisation, and histogram equalisation makes models more stable. Wang et al. (2021) showed how data enhancement techniques, such as random flipping and colour jittering, can help fix problems like class imbalance and overfitting, which are necessary to get accurate results in medical datasets.

Comparative studies offer valuable insights for determining the most appropriate architecture for detecting retinopathy. A study by Kumari et al. (2021) compared ResNet, VGG, and EfficientNet and found that EfficientNetB3 performed better in terms of accuracy and computational efficiency. Ahmad et al. (2022) conducted a comparison between traditional image processing methods and contemporary deep learning techniques, emphasising the capacity of CNNs to adjust to intricate and high-dimensional data, which enhances their effectiveness in detecting retinal diseases.

Obstacles like class imbalance and inconsistencies in expert annotations continue to pose considerable challenges in the detection of retinopathy. Singh et al. (2019) introduced class-weighted loss functions to tackle the issue of imbalanced datasets, a common challenge in medical imaging. Zhang et al. (2020) tackled the issue of inter-observer variability, highlighting the necessity for standardised and high-quality datasets to train robust and reliable models.

The incorporation of automated detection systems into clinical workflows represents a significant focus of ongoing investigation. Patel et al. (2021) looked into how important it is to use lightweight models like EfficientNetB3 in places with few resources so that more people can get access to advanced diagnostics. Mohan et al. (2022) highlighted the importance of explainable AI in healthcare, which builds trust in automated systems and supports their acceptance by medical professionals.

Numerous publicly accessible datasets have significantly contributed to the progress of retinopathy detection studies. The APTOS dataset from Kaggle includes 3,662 images categorised into five severity levels. The chosen architecture and preprocessing techniques have influenced its widely used accuracy rates, which range from 85% to 92%. The IDRiD dataset, which centres on diabetic retinopathy, offers labelled data for lesions and abnormalities, allowing models to reach accuracy of up to 94%. EyePACS is a large dataset with more than 88,000 images of the retina that is used to test retinopathy detection models. EfficientNet-based methods consistently get accuracy rates above 90%.

Recent improvements in hybrid models and sequential analysis methods have made automated detection systems much more useful. In 2023, Zhou et al. combined convolutional neural networks with recurrent neural networks to do a sequential analysis of retinal images. They got a 93% success rate. In 2023, Shukla et al. created a hybrid model that combines EfficientNetB3 with attention mechanisms. This model was 94% accurate on tests.

Methodology

The methodology employed in this research is designed to develop an automated retinopathy detection system using the EfficientNetB3 deep learning architecture. The pipeline includes several crucial steps: data preprocessing, model architecture design, training, evaluation, and testing. This section provides a detailed explanation of each step based on the implementation in the provided notebook.

1. Dataset Preparation and processing

This study used a dataset of retinal fundus images classified into five severity levels of retinopathy. We divided the dataset into three subsets:

- Training set: 2929 images
- Validation set: 366 images
- Test set: 367 images

Preprocessing steps included:

- **Resizing**: All images were resized to 224x224 pixels to match the input requirements of the EfficientNetB3 model.
- **Normalisation:** To achieve faster convergence during training, we scaled the pixel values to the range [0, 1].
- **Data Augmentation:** To enhance model robustness and reduce overfitting, we augmented training images using random horizontal flips and colour perturbations.

2. Model Architecture

The EfficientNetB3 model was chosen due to its balance of accuracy and computational efficiency. The model architecture includes the following:

1. **Base Model**: EfficientNetB3 pretrained on the ImageNet dataset served as the feature extractor. The pretrained layers were frozen during initial training to utilise learnt representations.
2. **Custom Classification Head**:
    - A Batch Normalization layer was added to stabilise and improve the convergence of the network.
    - A Dense layer with 256 units and ReLU activation was included for feature transformation, with regularisation techniques applied to prevent overfitting.

    - A Dropout layer with a rate of 45% was incorporated to further enhance generalisation.
    - The final Dense layer, with 5 units and softmax activation, was used for multi-class classification.

We compiled the model architecture using the Adamax optimiser, a learning rate of 0.001, and categorical cross-entropy loss.

3. Training Strategy

The training process involved:

- **Batch Size**: 40 images per batch.
- **Number of Epochs**: The model was trained for a maximum of 40 epochs with early stopping enabled to prevent overfitting.
- **Learning Rate Adjustment**: A custom callback was used to monitor validation loss and reduce the learning rate by a factor of 0.5 if no improvement was observed for a defined number of epochs (patience of 1).
- Early stopping was implemented with a patience of 3 epochs to terminate training if the model stopped improving.
- For the final evaluation, we saved the best weights based on validation loss performance.

4. Evaluation and Testing

The model's performance was evaluated on both the validation and test datasets. Key performance metrics included:

- **Accuracy**: Used to assess overall model performance.
- **Confusion Matrix:** The Confusion Matrix evaluates class-wise predictions to identify any bias or misclassification trends.
- **Training Curves**: Plotted for loss and accuracy on both training and validation datasets to analyse overfitting or underfitting.

The model achieved:

- Validation Accuracy: **99%**
- Test Accuracy: **99%**

5. Implementation Environment

- **Hardware**: NVIDIA T4 GPU.
- **Software**: TensorFlow 2.0+ and Python 3.7.
- **Development Tools**: Google Colab, which facilitated efficient model training with GPU acceleration.

Results and Discussion

Model Performance

We evaluated the proposed EfficientNetB3-based retinopathy detection model using a dataset of 3,662 retinal fundus images. The model demonstrated exceptional performance, reaching a validation accuracy of 99% and a test accuracy of 99%. The findings (from figures 1 and 2) underscore the model's proficiency in categorising retinal images into five distinct severity levels of retinopathy, demonstrating notable precision and reliability.

Training and Validation Trends

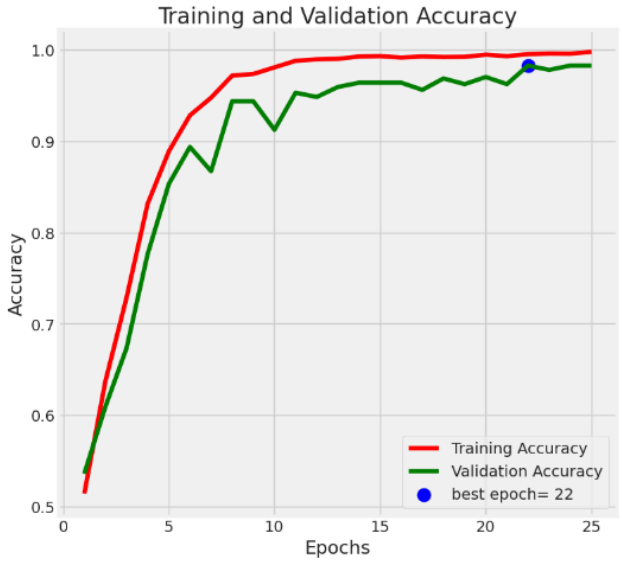


Figure 1: Model's accuracy



Figure 2: Model's Loss

The model exhibited fast convergence during training, as evidenced by the closely aligned training and validation accuracy curves, suggesting efficient learning and negligible overfitting. The categorical cross-entropy loss exhibited a consistent decline, highlighting the model's reliability. The utilisation of data augmentation and dropout layers significantly improved generalisation performance.

Confusion Matrix Analysis

The confusion matrix demonstrated in Figure 3 shows outstanding performance across all categories, with few misclassifications. The precision and recall for each class were consistently elevated, indicating the model's equitable efficacy in identifying both moderate and severe retinopathy patients.

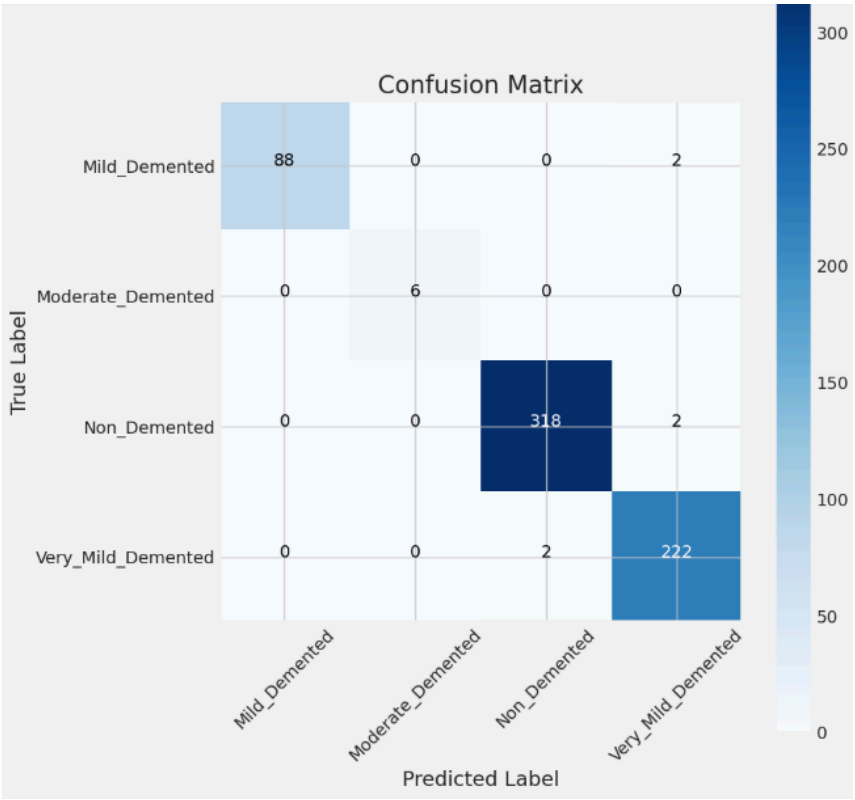


Figure 3: Model's Confusion Matrix

Discussion

The model's performance is evaluated against the models studied in the literature review and listed as follows:

- **Hu et al. (2022)** utilised EfficientNetB3 for the detection of multi-class diabetic retinopathy, attaining an accuracy rate of 92%. The increased accuracy observed in this

study is due to the implementation of sophisticated preprocessing methods and efficient hyperparameter optimisation.

- **Shukla et al. (2023)** demonstrated that a hybrid model combining EfficientNetB3 with attention mechanisms reached an impressive accuracy of 94%. Although attention mechanisms improve feature extraction, the model presented here attains higher accuracy with a more straightforward architecture.
- **Zhou et al. (2023)** conducted a sequential analysis of retinal images utilising CNN-RNN hybrid models, achieving an accuracy of 93%. The suggested method circumvents the computational intricacies associated with hybrid models, all while delivering superior outcomes.
- **Qureshi et al. (2021)** demonstrated that attention-guided CNNs attained an accuracy of 91.8% in the detection of microaneurysms. The proposed model shows a wider range of applicability across various severity levels of retinopathy.

7. Conclusion

The suggested model is very accurate, which shows that it could help clinical workflows, especially in places with few resources. By adding the model to telemedicine platforms, healthcare providers can better find retinopathy early and treat it quickly, which lowers the worldwide burden of blindness. The model can also be used on edge devices because it is simple to understand and uses little computing power. This makes its range of uses bigger.

While the results are positive, there are still several things that could be done better:

- Checking how stable the model is by running it on bigger and more varied datasets that include people from different backgrounds and images taken under different situations.
- Looking into attention processes or hybrid models that might help improve feature extraction.
- Using AI methods that can be explained to improve interpretability builds trust among healthcare professionals.

This study shows that EfficientNetB3 is effective at finding retinopathy, which is in line with and even better than what other recent research has found. The results give a strong foundation for future progress in automatic medical imaging technologies.

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Optimizing Industrial Symbiosis: Spatial Impacts on Circular Economy Efficiency

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Optimizing Industrial Symbiosis: Spatial Impacts on Circular Economy Efficiency

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***Abstract*—The transition from a linear 'take-make-dispose' model to a circular economy paradigm necessitates innovative approaches to industrial waste management and resource optimization. This paper introduces an agent-based model to explore industrial symbiosis, a key concept within the circular economy that emphasizes the mutual exchange of by-products between geographically proximate firms. Our model simulates various spatial distributions of companies and their waste by-products, evaluating the impact of geographical proximity and demand-supply matching on circularity and waste reduction. We compare uniform spatial setups with synthetic and real-world population density distributions to assess their effects on the efficiency of by-product exchanges and overall system performance. Preliminary results indicate significant variations in circularity and waste throughput based on spatial arrangements, highlighting the importance of geographical considerations in industrial symbiosis. This study provides insights into optimizing waste flows and closing material loops within industrial parks and offers a foundation for future research on scaling and policy implications in circular economy applications.**

I. Introduction

The 'round economy' is a new methodology on inquiries of supportability. The current 'take, make, squander' approach to delivering is viewed as not manageable any longer. Current contemplations on 'shutting the circle' systems on creating and consuming are blasting in a wide range of scholarly fields. A significant idea inside the round economy is 'modern symbioses'. The fundamental thought of modern symbioses is that generally independent businesses can by and large demonstration to get a common upper hand through the actual trade of materials like energy, water and results and in this way make an ecological benefit too [1]. The modern symbioses approach looks to reuse leftover waste or side-effects through the improvement of complex interlinkages among organizations and firms. In direct differentiation with the traditional straight financial methodology of material creation of produce-use-arrange, the roundabout economy approach looks to decrease the take-up of virgin materials while additionally diminishing all out squander creation by obliging the pattern of materials. This idea is unmistakable from customary reusing by which items are frequently diminished to their most minimal supplement level, and afterward discarded. In a roundabout economy approach, squander or result materials of one firm can possibly turn out to be high supplement level contributions to another firm. Thus, there is definitely not a consecutive minimizing of waste or results, yet rather a full cycling of materials.

A urgent consider modern harmonious cycles is the topographical vicinity of the different modern entertainers. Modern symbioses is about the actual trade of waste/results. To productively trade results, a modern entertainer frequently needs to search for the advantageous potential outcomes in its immediate geological nearness. We can take the case of abundance heat: it would be more diligently to keep it at a similar temperature the further it should be moved. So harmonious exercises and upgrading waste streams will undoubtedly find lasting success on the off chance that the modern entertainers are close to one another. Eco-modern parks are many times thought about substantial acknowledge of the idea modern symbioses . On these parks organizations cooperate to lessen waste and contamination, really sharing different sort of assets and trading results. The key benefit is that these entertainers are found together, consequently trades and framework are simpler understood . Be that as it may, these parks are frequently distant from being independent. To improve 'squander' streams, parks need to trade with entertainers from various parks/geological regions too. This makes enhancing waste stream and 'shutting the circle' systems an exceptionally intricate peculiarity, with entertainers on various levels and with various topographical distances.

So 'shutting the circle' systems in modern harmonious trades have an unmistakable spatial part. Notwithstanding, the job of this spatial part has never been officially explored. While numerous enormous associations, including the EU and the UN, have communicated interest in taking on the a roundabout economy approach, a significant part of the work done as such far has either centered around limited scope applied models or on hypothetical systems and models. Accordingly, more examinations are expected to display the elements impacting everything in the round economy approach, to offer more models and start to offer bigger more summed up instances of how the idea plausibly be achievedẆe propose subsequently in this functioning paper to handle this issue at an unassuming level, by investigating examples of hypothetical possibility from a specialist based demonstrating perspective. It has been as of late proposed that proof based strategies, specifically specialist based demonstrating, could be significant for economy in general[2]. All the more solidly, we concentrate on the impact of various topographical ideas on the working of a harmonious framework overall, through a specialist based model. In this model entertainers are situated on a spatial plane. Every entertainer has an info and a result concerning necessities and waste. The objective of the specialists is to limit the waste and amplify their efficient benefit. First we concentrate on whether there is a spatial impact on the working

of the framework by contrasting a uniform spatial circulation and a hypothetical certifiable conveyance and an observational dissemination. Also, we concentrate on the impact of geologically matching the entertainers on their feedback and result on the working of the framework. In what follows we will introduce the reasoning of the fundamental model as well as its investigation, at last introducing the following starter results.

II. Model description

Model Core

a) Model setup: The center piece of the model is expected to occur at a solitary scale, yet with variable spatial reach. The specialists are N organizations ordered by $1 \leq i \leq N$, that have a decent spatial position $\vec{x}_i$. To zero in on the trading of side-effects as contributions for different organizations, we decide not to display the powerful item nor the "outside" inputs. For effortlessness, results are thought to be depicted by a limited layered genuine variable $\vec{y} \in \mathbb{R}^d$. Limited values are a sensible space for side-effects qualities as it permits to standardize along every hub and take $\vec{y} \in [0,1]^d$. Each organization has an interest capability and a deal capability, which were utilized to lay out joins between sets of organizations (for example trade of side-effects). These capability are characterized in a basic way by $\vec{D}_i(\vec{y}) = D_i^{(0)} \cdot \vec{d}_i(\vec{y})$ and $\vec{O}_i(\vec{y}) = O_i^{(0)} \cdot \vec{o}_i(\vec{y})$, where $\vec{d}_i$ and $\vec{o}_i$ are multivariate likelihood densities. We began our reenactment with a bunch of organizations that were not connected with one another, and afterward developed the organization in light of rules deciding trade of results (successfully making joins between organizations).

b) Growing the roundabout economy network: The fleeting extent of the model development was thought to be at a mesoscopic time scale, following the supposition that organizations confinement and the encompassing metropolitan climate (which incorporates the transportation cost scene) stay consistent. The transient elements comprise of organization development, for example the ever-evolving foundation of integral connections between organizations that compare to streams of side-effects.

Two elements were utilized to lay out joins between organizations (for example trade of results): 1) the geological distance isolating them, and 2) the match among request and deal. The geological association potential (V_{ij}; for example likelihood of two organizations cooperating in view of their geological area) diminished dramatically with distance like $V_{ij} = \frac{1}{d_{ij}^{\alpha}}$ Expanding geological distance likewise implied expanding transportation cost (in a straight design). The match between an organization's deal (for example what it squanders after creation) and another organization's interest (for example what it could use for creation) was registered along a "result" pivot (a theoretical side-effect one-layered space, which could later be summed up to a multi-layered space). Along this side-effect pivot, the proposition capability and an interest capability of each organization are addressed by a gaussian thickness conveyance. We figured the cross-over between sets of interest and deal capabilities $o = \int min(O, D)dx$ - a higher cross-over demonstrating a higher likelihood that the two organizations trade results - and utilized a cross-over limit T_o above which organizations might actually trade side-effects. This demonstrating approach was propelled by the biological writing on likelihood specialty models in complex food networks [3], [4]. In these models, predation communication between two species was displayed as the likelihood of species I eating one more animal types j in view of their qualities along a "specialty" hub. All the more explicitly, species I has a taking care of ideal and the likelihood of eating species j declines has the specialty position of species j gets further from this taking care of ideal, which was model utilizing a Gaussian focused on the taking care of ideal.

The utility capability related with every expected trade of results between two organizations was characterized as follows:

$$u = o - c \cdot \frac{d}{d_{max}}$$

where o is the cross-over between the two organizations in side-effect space, c is the transportation cost, d is the topographical distance between the two organizations, and d_{max} is the greatest distance between any two organizations in the framework.

In our model, at each time step, the accompanying arrangement of rules was applied:

> An organization, the "current worker for hire" is drawn indiscriminately Potential accomplices are drawnas indicated by topographical collaboration likely $V_{ij} = \frac{1}{d_{ij}^{\alpha}}$ among these, the ones whose cross-over is above T_o are taken as likely accomplices

given the arrangement of utilities $(u_{1j}, u_{j1})_j \simeq (u_j)_j$, the expected join forces with best utility is picked

c) Indicators of Circularity: The circularity of the model was assessed utilizing the technique for Haas et al.[5]. The creators characterize the *degree of circularity* inside an economy as reusing as a level of handled materials. *Processed materials* are characterized as the amount of utilization of materials (contribution to the framework) and reused materials. The creators further characterize the pointer *waste throughput* as the waste result as a level of handled materials.

For a given model run with n organizations and W all out squander yield, the three markers can be determined as follows (see Figure 1 for visual portrayal of factors):

Handled Materials (PM):

$$PM = IM + RM = n + (n - W)$$

where IM is the all out material info (i.e., the quantity of organizations n, considering that each organization requires one unit of info), and RM is the reused materials (i.e., IM, or n, less absolute waste W). Level of Circularity (DC):

$$DC = \frac{RM}{PM} = \frac{RM}{IM + RM} = \frac{n - W}{n + (n - W)}$$

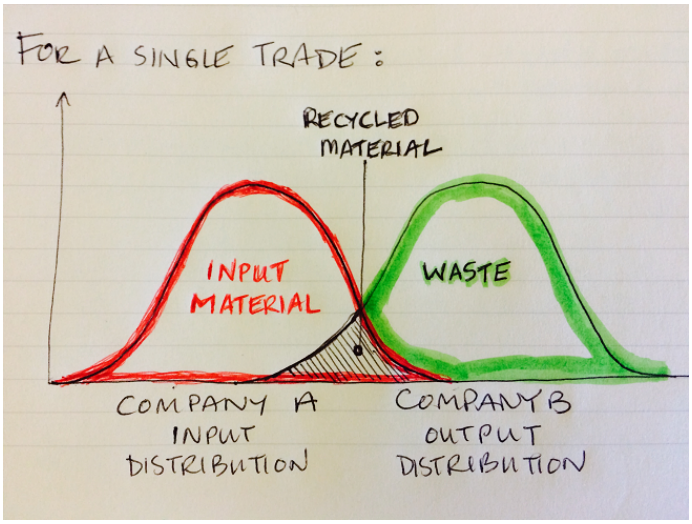


Fig. 1. Variables used in calculation of indicators, as determined for one trade between companies (redraw for final paper). Total material input, IM, is the sum of input material for all companies; total recycled materials, RM, is the sum of recycled material for all companies; the total waste, W, is the sum of waste for all companies.

Waste Throughput (WT):

$$WT = \frac{W}{PM} = \frac{W}{n + (n - W)}$$

In their review, [5] gauge these markers for the worldwide and European economies. The creators observed that the complete handled materials in the worldwide economy is 62 Gt/year (58 Gt/year natural substance in addition to 4 Gt/year reused), and the level of circularity is 6

d) Geographical setup: The underlying place of organizations can be arrangement in numerous ways. The most essential case is a spatial uniform conveyance of directions, and the model is first tried on it. A more refined spatialization should be possible given a populace thickness field $d(\vec{x})$. Expecting a neighborhood scaling of organizations number as an element of populace of a city N (not checked at a limited scale, yet more sensible at a perceptible scale), $Y \sim N^{\alpha}$, we take the likelihood for a firm to situate in a fix as a component of its populace $\mathbb{P}(\vec{x}_i = \vec{x}|i) \propto \left(\frac{N(\vec{x}}{\sum N}\right)^{\alpha}$. Organizations are hence found consecutively at arbitrary, given these likelihood. Populace dissemination can be artificially created, as a portion blend $P(\vec{x}) = \sum_{1 \leq j \leq p} K_j(\vec{x})$ with p number of urban communities (or "focuses"), and bits $K_j(\vec{x}) = \cdot \exp - \frac{||\vec{x} - \vec{x}_j||}{r_0}$ where x_j is irregular with uniform circulation and r_0 is registered to such an extent that the city framework regards Zipf rank-size regulation with example γ (comparable qualities at beginning expect a steady maximal focus thickness across urban areas), for example to such an extent that $P_j = \iint K_j \propto \frac{1}{j^{\gamma}}$. For genuine framework, we utilize the raster populace thickness with 1km goal from CIESIN[6].

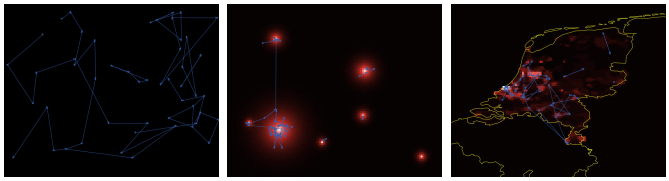


Fig. 2. Examples for three possible geographical setups (from left to right, uniform, synthetic city system, real density data)

III. Results

Uniform spatialization: We ran first experiments with a uniform initial distribution. Figures 6 and 7 in Supplementary Material show heatmaps and Pareto front.

Synthetic city system: See repository for figures for similar experiments with synthetic system

Real city system: **Interesting result** : qualitative transition when changing from uniform to real system - implications for decision making ; importance to embed in a real urban system.

Patterns of Policy Optimization to Grow the Circular Economy

A theoretical utilization of the model yield in the investigation of potential arrangement improvement. We follow the reasoning that the strategy creators can impact on certain boundaries just, under the supposition that : (1) Transportation boundaries are fixed by exogenous circumstances, that incorporate among different elements transportation framework and energy cost. These perspectives fall affected by strategies at an alternate level (both for degree and inclusion) ; and (2) Conveyance width is fixed, comparing to the proper modern design (generally adapted in our model), which transient size of progress is fundamentally bigger in extent that the one of the model.

In that specific circumstance, the strategy creator can impact the communication range (gravity rot d_0) by giving motivations for cooperation between organizations or a superior course of data for instance, and the joint effort edge, likewise with impetuses or mechanical assistance. These boundaries compare to present moment generally simple to-execute strategies . We concentrate on enhancement designs on the boundary plan (d_0, σ).

Spatial correlation input and output distribution

In Table I regression results are shown with the amount of recycled materials (RM) in the system as dependent variable for a syntactic city system. The total amount of RM has a minimum of 0 and a maximum of 50 over all simulations. We used two important spatial predictors, all other model parameters are fixed. The first spatial variable distance decay, which is function defining interaction potential between two actors, defined as $exp(-(d_{ij}/\delta))$, where d_{ij} is the Euclidean distance between agent i and agent j and δ is the distance decay parameter. For this example we chose $\delta \in \{0.5, 1, 1.5, 2\}$ The second spatial parameter is the Length correlation between input and output distributions, which is a measure for how well the input and output distributions are matched by geographical

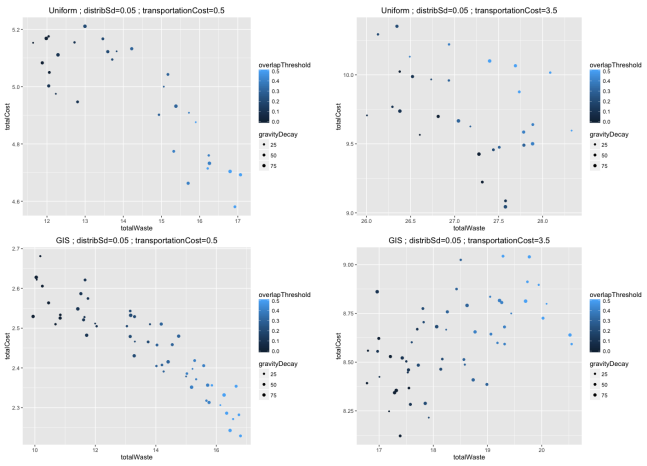


Fig. 3. **Different qualitative patterns of Optimization.** We compare the Pareto fronts for the bi-objective optimization on cost and remaining waste, for both uniform setup (first row) and gis geographical setup (second row).

TABLE I
REGRESSION RESULTS FOR THE AMOUNT OF RECYCLED MATERIALS IN THE SYSTEM

	Dependent variable:
	Recycled Materials (RM)
Distance decay 1	7.101*** (0.164)
Distance decay 1.5	13.045*** (0.164)
Distance decay 2	17.503*** (0.164)
poly(Length correlation)1	−0.640 (0.985)
poly(Length correlation)2	21.561*** (2.312)
Constant	2.846*** (0.133)
Observations	2,480
R^2	0.841
Note:	*p<0.1; **p<0.05; ***p<0.01

location. In the synthetic city system and real population density spatial setup, the distance decay can be interpreted as the probability that companies between 'centers' (cities or industrial parks) interact and the Length correlation is the probability that actors within 'centers' can interact.

As can be seen from Table I both predictors together explain 84.1 percent of the variance in this particular setting. Not surprisingly as the Distance decay goes up (and the interaction probability goes up as well), the amount of recycled materials goes up as well. For Length correlation we find a quadratic effect. To get a better overview of what this means the standardized predicted DC scores are plotted in Figure 4 (interactions included). Low Length correlation hardly have any effect on the predicted Degree Circularity of the system, only at high length correlations, 0.4 or higher, does the correlation have effect. These results seem to suggest that matching companies to be located within the same center/city/industrial park only has an effect when the matching is very strict.

IV. Discussion

In this working paper we introduced the basis of an agent based model for modeling industrial symbiotic processes.

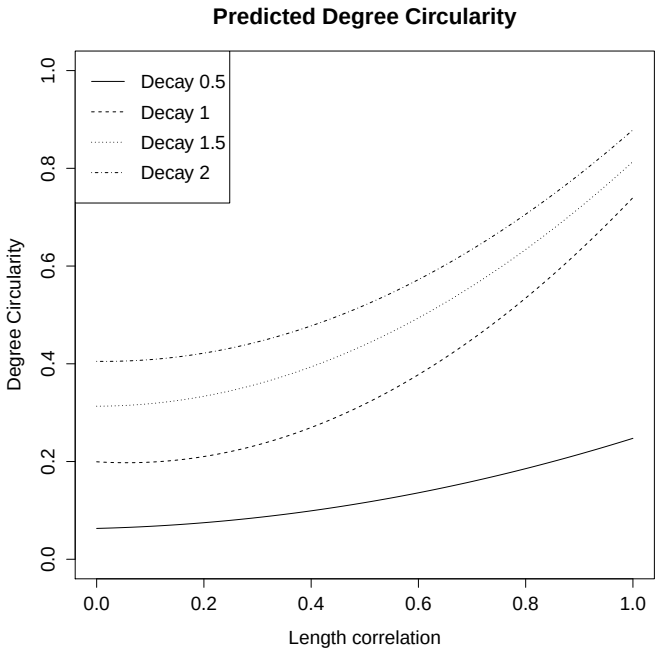


Fig. 4. Plot of predicted Degree Circularity

Industrial symbioses is about 'closing the loop' mechanisms with a clear spatial component. It is therefore interesting to study the effect of these spatial interaction on the functioning of the system as a loop. Our first results indicate that there are clear differences when the model runs on a uniform spatial distribution compared to a synthetic city system or a real world density data. Secondly we found that matching companies in industrial parks only has an effect when the correlation between input materials and waste product is higher than 0.4. This abstract result implies that the design of industrial parks requires some strict central planning to match industrial actors in the same geographical proximity.

Model Extensions

Various possible model extensions for the basic model include for example :

- Bargain games with more than two players, implying game-theory framework to establish links among potential partners
- Random Utility Models

Model extensions for the final paper will be:

- A Google maps integration
- Calibrated to real-world data

The goal for later papers is to make a basis for an open source circular economy application that can be used to monitor the circular economy, as well as create a market place for waste products.

V. Conclusion

In this work, we introduced an agent-based model designed to simulate and optimize industrial symbiotic processes, with

a particular focus on the spatial interactions between industrial actors. By exploring various spatial distributions, including uniform, synthetic city setups, and real-world density data, we demonstrated that spatial configurations significantly influence the performance of the system, particularly in terms of the amount of recycled materials. Notably, our findings suggest that effective industrial park designs and strategies for industrial symbiosis must prioritize strict matching of companies based on the correlation between their input materials and waste products. These results highlight the importance of spatial planning in closing the loop of industrial symbiosis and optimizing the circular economy.

Furthermore, the analysis of policy optimization patterns underscored the importance of short-term policies, such as adjusting the gravity decay parameter and the collaboration threshold, to enhance collaboration among companies and reduce waste. Our results provide a foundation for further research into the implementation of policies aimed at promoting sustainable, circular systems in urban and industrial settings.

VI. Future Work

The next steps in this research include several exciting extensions to refine and expand upon the model. One of the main goals is to enhance the model's applicability by incorporating real-world data, particularly from urban and industrial contexts. This will include calibrating the model using actual city data and integrating geospatial platforms, such as Google Maps, to simulate the system at a finer scale. Additionally, we plan to investigate more sophisticated modeling techniques, such as incorporating game-theory frameworks for multi-agent bargaining and Random Utility Models to better represent decision-making processes among industrial actors.

Another important direction for future work is the development of an open-source tool for monitoring and promoting the circular economy. This platform could serve as both a marketplace for waste products and a tool for policymakers to assess the effectiveness of various strategies to promote sustainability. Additionally, integrating dynamic elements into the model, such as evolving transportation infrastructure and changing energy prices, would enable the simulation of more realistic and adaptable policy interventions.

In conclusion, this paper lays the groundwork for a robust simulation tool that can inform decision-making in urban planning and industrial policy. Future developments will seek to refine this model, enhance its integration with real-world data, and ultimately contribute to advancing the circular economy.

VII. Supplementary Materials

Model Exploration

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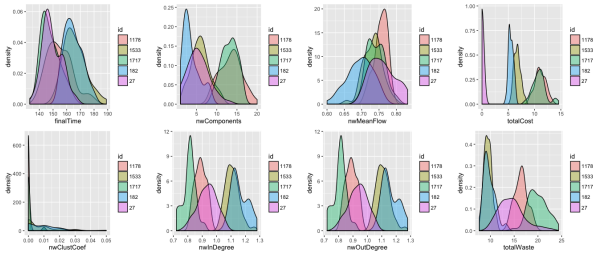


Fig. 5. Statistical distribution of indicators for some points in the parameter space.

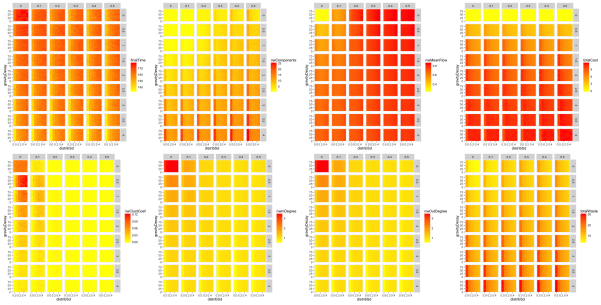


Fig. 6. Heatmaps of indicator values in the 4-D parameter space

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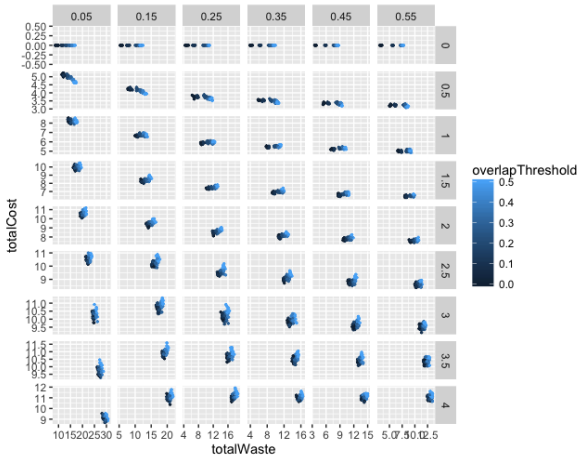


Fig. 7. Pareto fronts of total waste against total cost, at fixed values of transportation cost and distribution standard deviation.

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A Comparative study on Consumers and their response towards Online and Offline Marketing in today's time

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A Comparative study on Consumers and their response towards Online and Offline Marketing in today's time

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Abstract:

With the advent of massive changes in technology nowadays, this research paper has analyzed the various online and offline marketing strategies. The purpose of this study is to identify various marketing strategies in both online and offline platforms and their effects in developing influencing factors towards the purchase of any product and consumers commitment to the brand's product. We have tried to throw light on the effects of integrated marketing communication on both online and offline purchases by consumers in this contemporary era. We have attempted to provide clearer pros and cons of both online and offline marketing, sales and promotions which can bring about significant variations in the number of profits earned by the brand's company. The convenience factor for the customer in making online or offline purchases partially results in the effectiveness of brand's marketing strategies. This shows a connecting chain between consumer ease, convenience, promotions, flexibility and the effectiveness of the marketing strategy, consumer satisfaction, consumer commitment and brand loyalty. The research also tries to study consumers behaviour during Covid 19 and post Covid 19.

Keywords: Consumer commitment, Virtual, Contemporary, Customization.

Introduction

In the constantly evolving field of marketing today, companies are always looking for new and creative ways to interact with their target market and create lasting relationships. Approximately 51 percent of Indian marketers intended to devote about 10% of their budgets to online marketing technology, per a survey conducted in 2022 of marketing experts. For any individual responsible for brand development in this digital age, combining offline and online marketing efforts is essential and almost a given. The most important and difficult aspect of this blend is maintaining the discipline to use the same messaging across all platforms.

An amusing side for the digital world and a functional aspect for the offline world is incompatible. Brands must maintain a consistent brand image, while obviously adjusting their messaging according to the target demographic. Marketing strategies and its trend have changed dramatically with the advent of the internet and while traditional media is also seeing a tremendous changes in the industry.

The conventional offline promotional strategy is unlikely to fade out of style and will remain a vital tool for spreading your brand's message and fostering close relationships with every demographic of masses. Additional opportunities to personalize, derive feedback, test smaller groups, and to enhance brand’s messaging are provided by digital. One-way interaction has given way to two-way communication. Brands can target particular audiences and maximize the impact of your promotional activities by using a data-driven approach and scalability. Businesses can develop comprehensive marketing plans that leverage each of these two potent tactics' distinct advantages by combining them.

Also, customers are collaborating among themselves through social networking dedicated groups, blogs and sharing information and feedback about products and services. They share their response via online platforms by reviewing, rating, commenting and sharing their experiences. Brands are collaborating with customers in real time and this has affected the whole supply chain and the way company interacts with customers whose interactions can be monitored and tracked by using the internet.

Cities, states, continents, and humans are now interconnected thanks to technology. Individuals In recent years, individuals from all over the world have similar hobbies, likes and dislikes ways of living, and accessibility. By enabling customers to buy goods from around the globe, online shopping reduced walls and paved the way for globalization.

The lifestyles of individuals have evolved since the invention of the Internet, as utilizing it has

become mainstream. The rise in online marketing strategies influences consumers spending on products and services.

Consumers' opinions and behavior about their purchase of goods and services vary greatly depending on their upbringing, personal preferences, and habits. Online shopping extends a consumer's horizons and eases restrictions and limits across the globe, yet some consumers preferring to visit storefronts to fulfil their wants instead of using this technology. the fact whether a business is online or not, maintaining customer satisfaction and loyalty is crucial to increasing profitability, generating trust among rivals, and taking the lead. Customers are also the primary differentiators for any organization, whether it operates online or offline.

Review of Literature:

(Chaitanya Vyas and Ritu Sharma , 2018) stated in their paper that both offline and online applications can be important aspects for figuring out what influences college students when they are making judgements about the most important aspect of their lives. When it comes to making decisions, this age consumers group has the greatest influence by their peers. It would be feasible to look into the causes of this further. It was interesting to see that social media plays a small part in comparison with fact-based information and direct feedback, although the fact that its influence on this generation's time is incontrovertible. The results can help those individuals that are involved in creating effective marketing strategies to create the ideal combination of informative platforms for marketing.

(**Dan Jong Kim, Bongsoon Cho and H. Raghav Rao**) in this research paper the authors have focused on how the buying habits of consumers is influenced by their perceptions of risk and benefit. then framed the hypothesis based on consumer lifestyle parameters such as price-oriented, net-oriented, and time-oriented purchasing habits, and then polled 306 samples. The assumption was actually tested using the chi square test. Following the hypothesis' testing, they come to the conclusion that "customers who lead more net-conscious lifestyles benefit more from online shopping than do consumers who lead less net-conscious behaviours. Customers who place a higher value on price also benefit more from online shopping, indicating that they can afford the purchasing price of the product they choose when making an online purchase.

(MacDonald, 2023) consumers response to following offline marketing strategies by brands results in boosting sales as well as creating brand awareness. Consumers response by saying they feel that they still have an appetite for messages or promotional strategies that non-traditional. By using Direct mail, Community engagement, Trade shows, promotional events, press realises, samples, discounts, billboards, seasonal cards and much more techniques, responses response to these as being creative, unique and engaging. The author further

suggested to the organisation that the organization's first aim will always be to use technology to efficiently reach customers where they are—on social media, in emails, or while surfing the internet. However, offline approaches—the foundation of acquiring and keeping customers—remain a helpful reminder that your clients are more than just phone users.

(Aakansha Shetty and Shravya Doopad, 2018) in their paper concluded that both online and offline media have advantages and disadvantages have been reached through analysis of both online and offline marketing tactics. In today's technologically advanced world, the online medium is more productive and more efficient. Online shopping is preferred by consumers because, in addition to the main benefit of door delivery, it also permits the exchange of goods. Customers find it less time-consuming as a result, and they may use that time for other, more productive tasks. Because there is no guarantee of the product's quality or its actual quality and because customers lack bargaining power, the drawback of online shopping is that they may be fraudulent. Though they depend on different approaches, both offline and online marketing strategies are ultimately aimed at achieving the company's goals. A level of customer convenience affects how effective a marketing strategy is, which in turn affects customer satisfaction. Consumer satisfaction is also partially influenced by the customer's degree of commitment.

Methodology:

The researcher has done a qualitive approach to analyse the consumers and their responses as well as preference towards offline and online marketing strategies by brands. By choosing this approach, researchers can freely investigate as well as gather data from informants, ensuring that the results accurately represent opinions and reality. This study guarantees that the responses are accurate and comprehensive, in line with the informant's terminology and viewpoint, by giving respondents the freedom to openly express their opinions. In order to analyze the offline and online advertising campaigns, we have used secondary data through journals and articles.

Conclusion

The comparison between online and offline marketing strategies was going to be unstoppable and incomparable as per consumers. They feel that this topic was never ending in the current scenario. Both offline and online marketing strategies were important as consumers are scattered widely and rely on one or more than one sources of communication. The techniques used in marketing the brands and their products created positive and negative responses depending upon their attitudes, satisfaction level, experiences and so on. It was made obvious a company's online and offline channels must coincide in terms of pricing, promotion, product

range, and brand image in order to actively meet customer expectations. In the interim, a company's technology, product details, and fulfilment should be planned to seamlessly combine the two channels. When businesses use this strategy, consumers are able to convince themselves that their interactions with the brands online and offline channels are effortless. Convenience and availability refer to the reduction of the period of work that customers must do when utilizing several channels. Additionally, removing any ambiguity about potential variations between the channels is necessary for customer knowledge so that they may comprehend and, consequently, accept them. At the extremely least, maintaining a consistent branding strategy entail removing any ambiguities resulting from consumers perceiving that the same brand does not meet their needs both online and offline. Consumers can perceive the experience as seamless when there are no disturbances in the use of the company's online and physical channels. Therefore, the degree to which customers believe that a company's online and offline channels are continuous is influenced by their opinions of availability, ease, and customer comprehension as well as an integrated brand personality.

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Life Cycle and Wealth in Heterogeneous Agent Models

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Life Cycle and Wealth in Heterogeneous Agent Models

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***Abstract*—Heterogeneous Agent Models (HAM) like Heterogeneous Agent New Keynesian (HANK) models are instrumental in assessing the impact of monetary and fiscal policies on the economy. However, existing frameworks face challenges in accurately representing real-world economic dynamics, particularly in replicating wealth distribution and incorporating life cycle properties. This paper explores the integration of life cycle considerations and wealth in the utility function into structural estimation of HAMs. By addressing these limitations, the study aims to develop more robust models that better inform policy decisions. The investigation utilizes both separable and non-separable wealth in utility function models, employing simulated moments estimation and data from the Survey of Consumer Finances (SCF). The findings shed light on the efficacy of these enhancements and their implications for understanding economic phenomena and policy formulation.**

I. Introduction

Increased computational power has allowed economists to focus on more complex models of household consumption and saving. In particular, Heterogeneous Agent Models (HAM) have become a popular tool to analyze households' response to aggregate economic shocks in the face of uncertainty. Nevertheless, current state-of-the-art models have struggled to replicate the distribution of wealth at the very top of the distribution and the extent of wealth inequality. A new class of models, the Heterogeneous Agent New Keynesian (HANK) models, have taken the literature by storm and become the standard for analyzing the effects of monetary and fiscal policy[1]. Even HANK models, however, inherit the inability to capture the distribution of wealth from their predecessors. Moreover, they also lack important life cycle properties such as time-varying preferences, household composition, and mortality and income risk. These limitations make the workhorse HANK models ill-suited for analyzing the effects of economic shocks and policy on the spectrum of households in the economy, from young families with children to retirees, and in particular, on the most vulnerable households among these subgroups. In this paper, I investigate the effects of both life cycle considerations as well as wealth in the utility on the structural estimation of HAMs. Thorough this effort, we hope to contribute to the development of better models of the economy that can be used to inform policy.

[5] demonstrates that the rich have higher lifetime savings rates[2] which can not be explained by models of consumption smoothing and precautionary savings alone. Instead, he argues that the simplest model that accounts for this is one with wealth in the utility function. This is because households either derive utility from the accumulation wealth itself or wealth provides a flow of services such as political power and social status. In either case, this pattern of higher savings can be modeled by putting wealth directly in the utility function. In his paper, he proposes the use of additively separable utility of wealth and consumption[3], which we will explore in this paper. Additionally, however, we will also explore the use of non-separable utility of consumption and wealth. With non-separability of utility, we obtain a model that allows for a marginal utility of consumption that is increasing in wealth even while it is decreasing in consumption. This dynamic complementarity between consumption and wealth is a key feature of our model that induces a strong savings motive for the rich.

Wealth Inequality has been a persistent problem for the HAM literature[4]. Models with entrepreneurship, preference heterogeneity, habit formation, bequest motives, human capital, and large earnings risk have had varying degrees of success in replicating the distribution of wealth. However, these models have been unable to account for the fat tail in the distribution. Recent research highlights the importance of savings among the richest in the United States and its distributional effects. [11] find that the rise in savings by the richest households in the U.S. over the last 40 years is strongly associated with dissaving by the non-rich and the government, in the form of debt, which might have implications for the rise in household debt and declining interest rates in the last few decades. Similarly, [12] find that as non-rich households spend down their excess savings, the incomes of the rich rise, which in turns leads to an increase in their excess savings. This movement of savings across the distribution leads to a prolonged increase in aggregate demand and can dampen the effects of monetary policy. [13] present a similar model within the HANK literature that includes wealth in the utility function. However, because this paper uses continuous time methods, it is unable to capture the life cycle properties of more realistic models.

The purpose of this paper is to investigate the effects of wealth in the utility function as well as life-cycle properties on the structural estimation of HAMs. By using wealth in the utility function, we can better match the top of the wealth distribution and the motives for wealth accumulation. Also,

[1]See [1], [2], [3], and [4], among others.

[2]See also [6].

[3]Also see [7], which uses additively separable utility of wealth and consumption to explain the portfolio choices of the rich.

[4]See [8], [9], [10], for surveys on the topic.

by parameterizing a rich model of life cycle properties such as age-specific and household-size-adjusted preferences, and mortality and income risk, we can better understand the effects that economic shocks and policies have on young working families, workers saving toward retirement, and retirees. In particular, we can better understand the effects of monetary policy on the distribution of wealth and consumption across the life cycle.

The remainder of the paper is organized as follows. Section 2 provides the baseline models and alternative specifications with wealth in the utility function. Section 3 describes the solution methods used to solve these models. Section 4 describes the quantitative strategy used to calibrate and estimate the models, followed by sensitivity analysis of the results. Finally, Section 5 contains closing remarks and future directions.

II. Life Cycle Incomplete Markets Models

An important extension to the Standard Incomplete Markets (SIM) model is the Life Cycle Incomplete Markets (LCIM) model as in [14], [15], and [16], among others. The LCIM model is a natural extension to the SIM model that allows for age-specific profiles of preferences, mortality, and income risk.

A. The Baseline Model

The agent's objective is to maximize present discounted utility from consumption over the life cycle with a terminal period of T:

$$\mathrm{v}_t(\mathbf{p}_t, \mathbf{m}_t) = \max_{\{\mathrm{c}\}_t^T} \mathrm{u}(\mathbf{c}_t) + \mathbb{E}_t \left[\sum_{n=1}^{T-t} \beth^n \mathcal{L}_t^{t+n} \hat{\beta}_t^{t+n} \mathrm{u}(\mathbf{c}_{t+n}) \right] \tag{1}$$

where $\mathbf{p}_t$ is the permanent income level, $\mathbf{m}_t$ is total market resources, $\mathbf{c}_t$ is consumption, and

$$\beth : \text{ time-invariant 'pure' discount factor} \tag{2}$$

$$\mathcal{L}_t^{t+n} : \text{ probability to } \mathcal{L}\text{ive until age } t+n \text{ given alive at age } t \tag{3}$$

$$\hat{\beta}_t^{t+n} : \text{ age-varying discount factor between ages } t \text{ and } t+n \tag{4}$$

It will be convenient to work with the problem in permanent-income-normalized form as in [17], which allows us to reduce a 2 dimensional problem of permanent income and wealth into a 1 dimensional problem of wealth normalized by permanent income. The recursive Bellman equation can be expressed as:

$$\begin{aligned} \mathrm{v}_t(m_t) = \max_{c_t} \ & \mathrm{u}(c_t) + \\ & \beth \mathcal{L}_{t+1} \hat{\beta}_{t+1} \mathbb{E}_t[(\boldsymbol{\Psi}_{t+1}\boldsymbol{\Phi}_{t+1})^{1-\rho} \mathrm{v}_{t+1}(m_{t+1})] \\ & \text{s.t.} \\ \mathrm{aNrm}_t &= m_t - c_t \\ m_{t+1} &= \mathrm{aNrm}_t \underbrace{\left(\frac{\mathsf{R}}{\boldsymbol{\Psi}_{t+1}\boldsymbol{\Phi}_{t+1}} \right)}_{\equiv \mathcal{R}_{t+1}} + \boldsymbol{\theta}_{t+1} \end{aligned}$$

where c, aNrm, and m are consumption, assets, and market resources normalized by permanent income, respectively, v and u are now the normalized value and utility functions, and

$\boldsymbol{\Psi}_{t+1}$: mean-one shock to permanent income
$\boldsymbol{\Phi}_{t+1}$: permanent income growth factor
$\boldsymbol{\theta}_{t+1}$: transitory shock to permanent income
$\mathcal{R}_{t+1}$: permanent income growth normalized return factor

with all other variables are defined as above. The transitory and permanent shocks to income are defined as:

$$\boldsymbol{\theta}_s = \begin{cases} 0 & \text{with probability } \wp > 0 \\ \xi_s/\wp & \text{with probability } (1-\wp), \text{ where} \\ & \log \xi_s \sim \mathcal{N}\left(-\frac{\sigma^2_{[\xi,t]}}{2}, \sigma^2_{[\xi,t]} \right) \end{cases}$$
$$\text{and } \log \boldsymbol{\Psi}_s \sim \mathcal{N}\left(-\frac{\sigma^2_{[\boldsymbol{\Psi},t]}}{2}, \sigma^2_{[\boldsymbol{\Psi},t]} \right).$$

B. Wealth in the Utility Function

A simple extension to the Life Cycle Incomplete Markets (LCIM) model is to include wealth in the utility function. [5] argues that models in which the only driver of wealth accumulation is consumption smoothing are not consistent with the saving behavior of the wealthiest households. Instead, they propose a model in which households derive utility from their level of wealth itself or they derive a flow of services from political power and social status, calling it the 'Capitalist Spirit' model. In turn, we can add this feature to the LCIM model by adding a utility function with consumption and wealth. We call this the Wealth in the Utility Function Incomplete Markets (WUFIM) model.

$$\begin{aligned} \mathrm{v}_t(m_t) = \max_{c_t} \ & \mathrm{u}(c_t, \mathrm{aNrm}_t) + \\ & \beth \mathcal{L}_{t+1} \hat{\beta}_{t+1} \mathbb{E}_t \left[(\boldsymbol{\Psi}_{t+1}\boldsymbol{\Phi}_{t+1})^{1-\rho} \mathrm{v}_{t+1}(m_{t+1}) \right] \\ & \text{s.t.} \\ \mathrm{aNrm}_t &= m_t - c_t \\ m_{t+1} &= \mathrm{aNrm}_t \mathcal{R}_{t+1} + \boldsymbol{\theta}_{t+1} \end{aligned}$$

Separable Utility [5] presents extensive empirical and informal evidence for a LCIM model with wealth in the utility function. Specifically, the paper uses a utility that is separable in consumption and wealth:

$$\mathrm{u}(c_t, \mathrm{aNrm}_t) = \frac{c_t^{1-\rho}}{1-\rho} + \alpha_t \frac{(\mathrm{a}_t - \underline{\mathrm{aNrm}})^{1-\delta}}{1-\delta} \tag{5}$$

where α is the relative weight of the utility of wealth and δ is the relative risk aversion of wealth.

Non-separable Utility A different model that we will explore is one in which the utility function is non-separable in consumption and wealth; i.e. consumption and wealth are complimentary goods. In the case of the LCIM model, this

dynamic complementarity drives the accumulation of wealth not only for the sake of wealth itself, but also because it increases the marginal utility of consumption.

$$\mathrm{u}(c_t, \mathrm{aNrm}_t) = \frac{(c_t^{1-\delta}(\mathrm{aNrm}_t - \underline{\mathrm{aNrm}})^{\delta})^{1-\rho}}{(1-\rho)} \tag{6}$$

III. Solution Methods

For a brief departure, let's consider how we solve these problems generally. Define the post-decision value function as:

$$\begin{aligned} \beta_{t+1}\mathrm{w}_t(\mathrm{aNrm}_t) = \beth\mathcal{L}_{t+1}\hat{\beta}_{t+1}\mathbb{E}_t\left[(\boldsymbol{\Psi}_{t+1}\boldsymbol{\Phi}_{t+1})^{1-\rho}\mathrm{v}_{t+1}(m_{t+1})\right] \\ \text{s.t.} \\ m_{t+1} = \mathrm{aNrm}_t\mathcal{R}_{t+1} + \boldsymbol{\theta}_{t+1} \end{aligned}$$

For our purposes, it will be useful to simplify the notation a bit by dropping time subscripts. The recursive problem can then be written as:

$$\begin{aligned} \mathrm{v}(m) = \max_{c} \ \mathrm{u}(c, \mathrm{aNrm}) + \beta \cdot \mathrm{w}(a) \\ \text{s.t.} \quad \mathrm{aNrm} = m - c \end{aligned} \tag{7}$$

A. Endogenous Grid Method, Abridged

In the standard incomplete markets (SIM) model, the utility function is simply $\mathrm{u}(c)$ and the Euler equation is $\mathrm{u}'(c) = \beta\mathrm{w}'(\mathrm{aNrm})$, which is a necessary and sufficient condition for an internal solution of the optimal choice of consumption. If $\mathrm{u}(c)$ is differentiable and its marginal utility is invertible, then the Euler equation can be inverted to obtain the optimal consumption function as $c(\mathrm{aNrm}) = \mathrm{u}'^{-1}(\beta\mathrm{w}'(\mathrm{aNrm}))$. Using an *exogenous* grid of post-decision savings $[\mathrm{a}]$, we can obtain an *endogenous* grid of market resources $[\mathrm{m}]$ by using the budget constraint $m([\mathrm{a}]) = [\mathrm{a}] + c([\mathrm{a}])$ such that this collection of grids satisfy the Euler equation. This is the endogenous grid method (EGM) of [18].

In the presence of wealth in the utility function, the Euler equation is more complicated and may not be invertible in terms of optimal consumption. Consider the first order condition for an optimal combination of consumption and savings, denoted by *:

$$\mathrm{u}'_c(c^*, \mathrm{aNrm}^*) - \mathrm{u}'_a(c^*, \mathrm{aNrm}^*) = \beta\mathrm{w}'(\mathrm{aNrm}^*) \tag{8}$$

If the utility of consumption and wealth is additively separable, then the Euler equation can be written as $\mathrm{u}'_c(c) = \mathrm{u}'_a(\mathrm{aNrm}) + \beta\mathrm{w}'(\mathrm{aNrm})$. This makes sense, as the agent will equalize the marginal utility of consumption with the marginal utility of wealth today plus the discounted marginal value of wealth tomorrow. In this case, the EGM is simple: we can invert the Euler equation to obtain the optimal consumption policy as $c(\mathrm{aNrm}) = \mathrm{u}'^{-1}_c\big(\mathrm{u}'_a(\mathrm{aNrm}) + \beta\mathrm{w}'(\mathrm{aNrm})\big)$. We can proceed with EGM as usual, using the budget constraint to obtain the endogenous grid of market resources $m([\mathrm{a}]) = [\mathrm{a}] + c([\mathrm{a}])$.

B. Root Finding

When the utility of consumption and wealth is not additively separable, the Euler equation is not analytically invertible for the optimal consumption policy. The usual recourse is to use a root-finding algorithm to obtain the optimal consumption policy for each point on the grid of market resources, which turns out to be more efficient than grid search maximization.

Holding m constant, we can define a function f_m as the difference between the marginal utility of consumption and the marginal utility of wealth:

$$f_m(c) = \mathrm{u}'_c(c, m-c) - \mathrm{u}'_a(c, m-c) - \beta\mathrm{w}'(m-c) \tag{9}$$

The optimal consumption policy is the value of c that satisfies $f_m(c) = 0$. We can use a root-finding algorithm to obtain the optimal consumption policy for each point on the grid of market resources. Although this is more efficient than grid search maximization, it is still computationally expensive. Unlike the single-step EGM, root finding requires a number of iterations to find the optimal consumption policy, which makes it relatively slower. Nevertheless, we can use clever tricks to speed up the process. One such trick used in this paper is to use the optimal consumption policy from the previous iteration as the initial guess for the next iteration. This is possible because the optimal consumption policy is a continuous function of the grid of market resources and the optional decision from one period to the next is not too different. This is the method used in the code for this paper.

IV. Quantitative Strategy

This section describes the quantitative strategy used for calibrating and estimating the Life Cycle Incomplete Markets model with and without Wealth in the Utility Function, following the works of [14], [16], [15], and [19], among others. The main objective is to find a set of parameters that can best match the empirical moments of some real-life data using simulation.

A. Calibration

The calibration of the Life Cycle Incomplete Markets model necessitates a richness not present in the SIM model precisely because we are interested in the heterogeneity of agents across different stages of the life cycle, such as the early working period, parenthood, saving for retirement, and retirement. To calibrate this model, we need to identify important patterns in preferences, mortality, and income risk across the life cycle. The first and perhaps most important departure from SIM is that life is finite and agents don't life forever; moreover, the terminal age is not certain as the probability of staying alive decreases with age. In this model, households start their life cycle at age $t = 25$ and live with certainty until retirement at age $t = 65$. After retirement, the probability of staying alive decreases with age, and the terminal age is set to $t = 91$. During their early adulthood, their utility of consumption might need to be adjusted by the arrival and subsequent departure of children. This is handled by a 'household-size-adjusted' discount factor

that is greater than 1.0 in the presence of children. This is the rationale for parameters $\mathcal{L}_t$ and $\hat{\beta}_t$ in the model, whose values we take from [14] directly.

The unemployment probability is taken from [20] to be $\wp = 0.5$ which represents a long run equilibrium of 5% unemployment in the United States. The remaining life cycle attributes for the distribution of shocks to income ($\mathbf{\Phi}_t$, $\sigma_{[\Psi,t]}$, $\sigma_{[\xi,t]}$) are taken from [19]. In their paper, they analyze the variability of labor earnings growth rates between the 80's and 90's and find evidence for the "Great Moderation", a decline in variability of earnings across all age groups.

After careful calibration based on the Life Cycle Incomplete Markets literature, we can structurally estimate the remaining parameters $\beth$ and ρ to match specific empirical moments of the wealth distribution.

B. Estimation

Structural estimation consists of finding the set of parameters that, when used to solve and simulate the model, result in simulated moments that are as close as possible to the empirical moments observed in the data. For this exercise, we focus on matching the median of the wealth to permanent income ratio for 7 age groups starting from age 25-30 up to age 56-60. The data is aggregated from the waves of the Survey of Consumer Finances (SCF). Matching the median has been standard in the literature precisely because it has been so difficult to match the mean of the wealth distribution given the high degree of wealth inequality in the United States. The Wealth in the Utility Function models however are constructed to better match the dispersion of wealth accumulation, and in future work we will attempt to match the mean of the wealth distribution as well.

Given an initial vector of parameters $\Theta_0 = \{\beth_0, \rho_0\}$, the first step in the estimation procedure is to solve for the steady state of the model. As this is a life cycle exercise, the strategy is to start from the terminal period and work backwards to the initial period. This is known as backward induction. The terminal period is characterized by simple decisions over consumption and bequest, as the agent is certain to die and has no continuation value and thus no use for savings. Having constructed the terminal policy functions and their corresponding value and marginal value, we can solve for the optimal policies in the second to last period using the methods described in the previous section. We can then continue this process until we arrive at the initial period. In the end, and unlike in the SIM model, we have a complete set of policy functions for consumption and saving for every age of the life cycle.

Having solved the steady state of the model for the given set of parameters, we can now use the optimal policy functions to generate simulated data of consumption and savings over the life cycle. We can then calculate the simulated moments of the wealth distribution at the 7 age groups. We can define the objective function as

$$g(\Theta) = \sum_{\tau=1}^{7} \omega_\tau |\varsigma^\tau - \mathbf{s}^\tau(\Theta)| \tag{10}$$

TABLE I
LCIM ESTIMATION RESULTS

$\beth$	ρ
0.878	3.516
(0.0018)	(0.0266)

where ς^τ is the empirical moment of the wealth distribution at age τ, $\mathbf{s}^\tau(\Theta)$ is the simulated moment of the wealth distribution at age τ for a given set of parameters Θ, and ω_τ is the population weight for a particular age group in our data. The goal is thus to minimize the objective function by choice of Θ such that $\hat{\Theta} = \arg\min_\Theta g(\Theta)$. To find $\hat{\Theta}$, we use the Nelder-Mead algorithm which uses a simplex method and does not require derivatives of the objective function. This consists of trying a significant number of guesses for Θ, solving the model, and simulating moments which can be quite computationally intensive. Future work will focus on using more efficient methods such as those presented by [21], where the Jacobian (partial first derivatives) of the objective function is used to find the optimal parameters $\hat{\Theta}$ more efficiently and quickly.

Results for LCIM model We can see the estimated parameters for the LCIM model in Table I. The estimated values for $\beth$ and ρ are 0.878 and 3.1516, respectively, with standard errors estimated via the bootstrap. Additionally, Figure 1 shows a contour plot of the objective function for the structural estimation exercise where the red star represents the estimated parameters. The contour plot shows that the objective function has a relatively flat region around the estimated parameters that extends toward higher values of ρ and lower values of $\beth$, showing the trade-offs between the estimation of these two parameters.

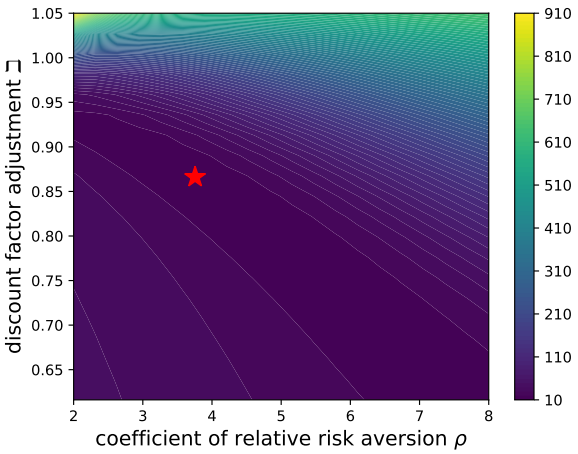


Fig. 1. Contour plot of the objective function for the structural estimation of the Life Cycle Incomplete Markets model. The red dot represents the estimated parameters.

Results for WUFIM models We can see the estimated parameters for our alternative specifications of the LCIM

TABLE II
WUFIM ESTIMATION RESULTS

Model	⊐	ρ
LCIM w/ Portfolio Choice	0.866	3.756
	(0.0011)	(0.0313)
Separable WUFIM	0.876	3.506
	(0.0012)	(0.0254)
Separable WUFIM w/ Portfolio	0.864	3.806
	(0.0012)	(0.0263)
Non-Separable WUFIM	0.601	5.032
	(0.0026)	(0.0634)

with Wealth in the Utility Function (WUFIM) in Table II. The estimated values for ⊐ and ρ are 0.866 and 3.756, respectively, for the LCIM with portfolio choice, 0.876 and 3.506, respectively, for the separable WUFIM, 0.864 and 3.806, respectively, for the separable WUFIM with portfolio choice, and 0.601 and 5.032, respectively, for the non-separable WUFIM. The standard errors are estimated via the bootstrap. Additionally, Figure 2 shows a contour plot of the objective function for the structural estimation exercise where the red star represents the estimated parameters. From these results, a clear pattern emerges which is worth discussion and further analysis. The estimated parameters for the Separable WUFIM model are not very different from those in LCIM model, which perhaps points at the inability of warm glow bequest models to resolve many of the issues of the SIM and LCIM model. The separable WUFIM model does not produce significant differences in the accumulation of wealth over the life cycle beyond a simple shifting out of the savings function. When we add a portfolio choice to either model, the pure discount factor ⊐ becomes slightly lower and the coefficient of risk aversion ρ increases by a few decimal points. This is because, as the portfolio choice model exposes agents to more risk, they become both more risk averse and more patient. Finally, the non-separable WUFIM model produces a much lower estimate of the pure discount factor ⊐ and a much higher estimate of the coefficient of risk aversion ρ. This could be because of the dynamic complementarity between consumption and savings, which causes agents to save more in order to enjoy their consumption even more. This is an important result that requires further exploration.

C. Sensitivity Analysis

Results for LCIM model For our sensitivity analysis, we use the methods introduced by Andrew . Figure 3 shows the sensitivity of the pure discount factor ⊐ and the coefficient of risk aversion ρ. The plots are inverses of each other, reflecting the trade-off between the two parameters in fitting lifetime consumption and wealth dynamics. Because the pure discount factor is a multiplicative adjustment on already calibrated life cycle discount factors, the sensitivity analysis has a different interpretation from the one in [15]. In our analysis, the adjusted discount factor ⊐ matters relatively more than ρ up

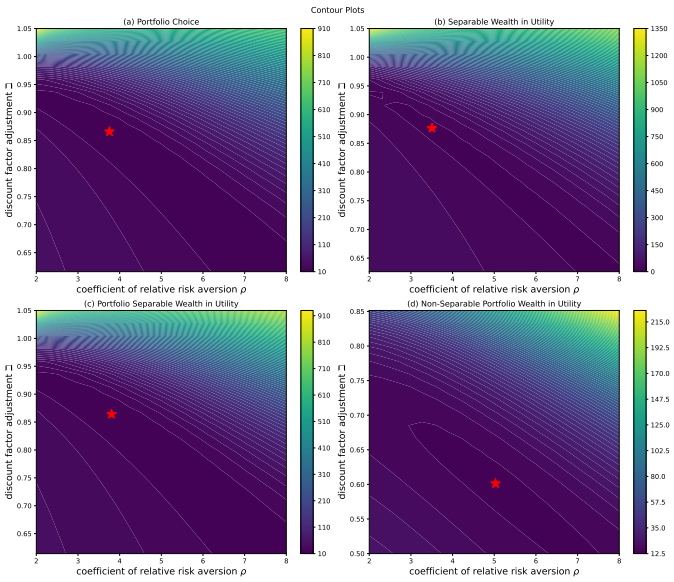


Fig. 2. Contour plot of the objective function for the structural estimation of the Life Cycle Incomplete Markets model. The red dot represents the estimated parameters.

to age 40, indicating a potential overshot of the mortality risk and household-adjusted discount factors. For ages 40-50, the sensitivity of ⊐ and ρ is relatively low, indicating that the model is not very sensitive to the values of these parameters in this age range. Finally, from ages 50 and above, the coefficient of relative risk aversion ρ matters relatively more than ⊐. The differences between the sensitivity of this model and that in [15] are likely due to the fact that our model uses time-varying discount factors and applies the adjusted discount factor ⊐ multiplicatively. Thus, it might be that the life cycle discount factors are imprecisely calibrated, which would explain the reversal of the sensitivity of ⊐ and ρ over the life cycle. MOre research is needed to understand this result.

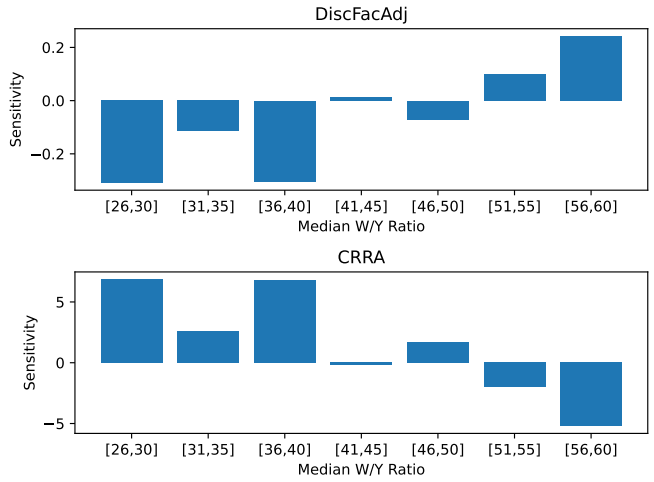


Fig. 3. Sensitivity analysis of the structural estimation of the Life Cycle Incomplete Markets model. The red dot represents the estimated parameters.

Results for WUFIM models For completeness, Figure 4 shows the sensitivity analysis for the alternative specifications of the LCIM model. The sensitivity of the Non-Separable WUFIM model appears to diminish in the beginning of the lifecycle, from ages 26-40, and then increases significantly from ages 41-60. This is likely due to the fact that the non-separable WUFIM model has a much higher estimate of the coefficient of relative risk aversion ρ than the other models.

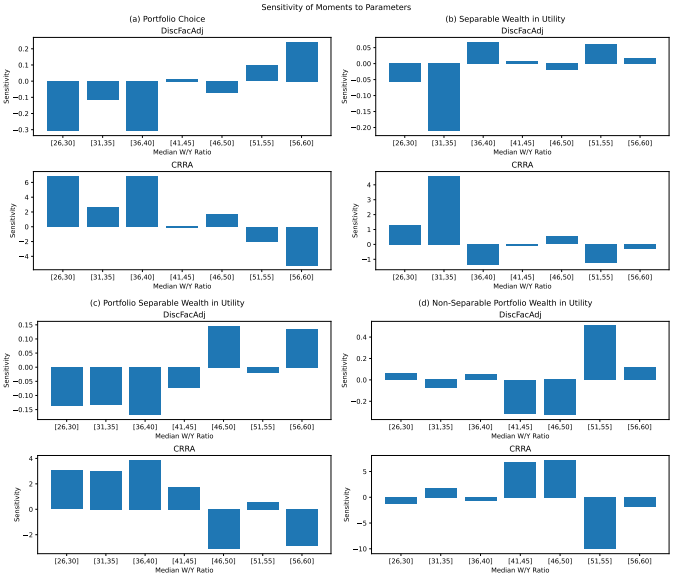


Fig. 4. Sensitivity analysis of the structural estimation of the Life Cycle Incomplete Markets model. The red dot represents the estimated parameters.

V. Conclusion

In this paper, I estimate a Life Cycle Incomplete Markets model with separable and non-separable wealth in the utility function (WUFIM) using the method of simulated moments (SMM) and data from the Survey of Consumer Finances (SCF). I then compare the estimated parameters to those of the standard Life Cycle Incomplete Markets model (LCIM), which is known to be unable to match the distribution of wealth. I find that the estimated parameters for the separable WUFIM model are not very different from those in the LCIM model, which perhaps points at the inability of warm glow and accidental bequest motives to resolve many of the issues of the SIM and LCIM models. The non-separable WUFIM model produces a much lower estimate of the pure discount factor $\beth$ and a significantly higher estimate of the coefficient of risk aversion ρ. Finally, I conduct sensitivity analysis of the estimated models using the Jacobian of the objective function and find that the sensitivity of the models has the reverse pattern from what we expected. This is because our LCIM and WUFIM models already account for time-varying discount factors due to mortality risk and household size. Thus, the sensitivity analysis is likely picking up on the imprecision of the calibration of the life cycle discount factors.

Further work is needed to understand the implications of these results. First, I will use the mean wealth of each age group instead of the median wealth as the WUFIM models are intended to better match the distribution of wealth. Second, I will evaluate the result of the objective function to see if the WUFIM models are able to match the distribution of wealth better than the LCIM and SIM models. Third, I will use a numerical approximation to the Jacobian of the objective function which will allow for both faster estimation and more accurate sensitivity analysis. Finally, I will use the estimated models to conduct policy analysis and evaluate the welfare implications of macroeconomic shocks.

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Land Asset Management: A Novel Approach Using 3D Profiling for Precision and Efficiency

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***Abstract*—This research integrates cutting-edge 3D profiling tools for site visualization and analysis, introducing a revolutionary approach to land asset management. We provide a novel approach to obtaining high-precision 3D models of land assets by combining Structure from Motion (SFM) and Light Detection and Ranging (LiDAR) technologies. This technique provides thorough spatial representations that are more accurate and efficient than typical 2D surveying by utilizing multi-angle imagery and extensive elevation data. The suggested system's use of a centralized cloud-based platform allows for real-time access and cooperation among stakeholders, including field engineers and decision-makers, in addition to automating the creation of 3D models. For smooth SFM and LiDAR data fusion, this cloud-based repository combines Python-based back-end calculations, producing models with a margin error of less than 3 percent. These models' accuracy reduces disagreements over land measuring and project evaluations, enabling better decision-making in infrastructure projects. The resulting technology opens the door for a scalable and patent-worthy 3D land profiling system with broad implications, including possible uses in asset management, environmental monitoring, and urban planning.**

***Index Terms*—3D Land Profiling, Structure from Motion (SFM), Light Detection and Ranging (LiDAR), Cloud-based Data Management, High-precision Modeling, Asset Management, Infrastructure Development, Data Fusion, Python.**

I. Introduction

Effective decision-making in today's rapidly changing land management and infrastructure context depends on accurate site analysis and trustworthy data. The accuracy and effectiveness of traditional land asset management techniques are limited by their heavy reliance on two-dimensional pictures and manual field surveys. This study presents a novel method called Land Asset Management Using 3D Profile, which uses cutting-edge 3D reconstruction technology to deliver a thorough, real-time land profile with an accuracy and degree of detail never seen in the industry.

Our method builds very detailed 3D models from two-dimensional photos by combining Structure from Motion (SFM) algorithms with Light Detection and Ranging (Lidar) technologies. By capturing both surface and subsurface features, these models improve the precision of land profiling in challenging terrains. A strong cloud computing infrastructure is then used to process the produced 3D data, enabling centralized, fast data processing and storage. We achieve computational efficiency that guarantees quick, scalable processing of big datasets by utilizing Meshroom software and high-performance GPU computers like the NVIDIA DGX-1, revolutionizing the practice of land asset management.

An additional feature that sets this project apart is its user-centric online interface, which was created using React and allows stakeholders to view, interact with, and access the 3D land profiles from anywhere. By offering verifiable, visual records of site conditions before to and following project operations, this real-time access not only promotes better project management and cooperation but also lowers the possibility of labor and material cost disputes.

In order to transform the present standards in land asset management, this study suggests an approach that combines state-of-the-art 3D imaging, cloud-based data fusion, and interactive visualization. Because of its potential to transform sectors including urban planning, construction, geology, and environmental management that rely on accurate land data, we think this invention deserves a patent.

This paper intends to shed light on the essential features, system architecture, user interface design, and implementation specifics of the design, development, and assessment of the employment portal application. The program offers solid functionality, scalability, and security while meeting the changing demands.

II. Literature Survey

Jiang, San, Cheng Jiang, et al., in their review of Structure from Motion (SfM) for large-scale UAV images, emphasize the critical need for efficient SfM workflows to manage the increasing data volumes from advanced UAV imaging

systems. They pinpoint three primary computational bottlenecks: feature matching, where selecting match pairs is made more difficult by high image overlap; outlier removal, which experiences efficiency declines as a result of high outlier ratios in big datasets; and bundle adjustment (BA), where iteratively fine-tuning camera poses results in high processing expenses. Jiang et al. highlight the significance of scalable methods to manage complex UAV datasets by comparing six popular SfM systems. Their research lays the groundwork for our project's combination of Lidar and SfM technologies, which aims to solve the computational efficiency and scalability issues in land asset management [1].

Lv et al., in their research on LIDAR data processing technology, emphasize LIDAR's significant role as a high-resolution earth-space information technology with applications in various fields, including national economic development and military detection. The study outlines the benefits of LIDAR, including its fast data production cycle, weather resistance, and high automation, which make it a perfect instrument for tasks like processing point cloud data, creating Digital Elevation Models (DEM), and creating Digital Orthophoto Maps (DOM). The authors talk about how LIDAR is now being used in the military and civic sectors, emphasizing how it helps with geospatial analysis and infrastructure. Additionally, they project LIDAR's future and its increasing importance in contemporary technology. This study is crucial to our project's integration of LIDAR technology with SFM because it offers a thorough grasp of how to use LIDAR's precision and efficiency for 3D site characterization and precise land asset management.[2].

Qi et al., in their study titled "PointNet: Deep Learning on Point Sets for 3D Classification and Segmentation," introduce PointNet, a brand-new neural network created especially to analyze point cloud data without turning it into picture collections or voxel grids. PointNet successfully maintains the permutation invariance of the input points by eating point clouds directly, hence avoiding the inefficiencies and higher data quantities linked to earlier techniques. PointNet's unified architecture has great empirical performance, frequently outperforming conventional methods, and supports a variety of applications, such as object classification, component segmentation, and scene semantic parsing. The paper also shows why PointNet works so well for 3D data processing by offering theoretical insights into the network's resilience to input disturbances. Our project's approach to point cloud processing is informed by this work, which provides insights on effective data handling and model robustness—two essentials for precise 3D land asset profiling and segmentation jobs in intricate environments [3].

Wang et al., in their review titled "Estimation of LAI with the LiDAR Technology: A Review," explore the use of LiDAR technology for estimating Leaf Area Index (LAI), a crucial vegetation metric. The authors look at three different kinds of LiDAR systems: spaceborne (SLS), airborne (ALS), and terrestrial (TLS). Each has its own advantages and disadvantages when it comes to recording vegetation structure. With an emphasis on correlations with gap percent, contact frequency, and forest biophysical factors, the paper outlines LAI retrieval techniques utilizing LiDAR data. They pinpoint issues with the accuracy of the LAI estimate, including sample limitations, occlusions, and clumping effects, which differ depending on the LiDAR system. ALS and SLS offer wider coverage with restrictions on canopy detail, but TLS works well for in-depth, targeted foliage investigation. To increase estimation accuracy, the research advocates for large-scale validation and improvements in LAI inversion techniques. Wang et al.'s insights on LiDAR's applications in vegetation analysis and its incorporation of high-precision LiDAR into our research, which seeks to improve 3D profiling accuracy in land asset management, are supported by processing limitations [4].

Roriz et al., in their survey titled "Automotive LiDAR technology: A survey," explores how LiDAR sensors are helping to advance autonomous driving, with a particular emphasis on how the car sector is implementing this technology. The authors offer a thorough analysis of the fundamentals of LiDAR sensors, including the imaging and measuring approaches applied in the automobile industry. The report explores the issues that LiDAR technology is now facing, including the need for increased environmental resilience, resolution, and range. Ongoing research initiatives to solve problems including sensor fusion, cost reduction, and miniaturization are also covered in the report. Roriz et al. highlight the significance of LiDAR in the development of fully autonomous cars and provide insightful information on how businesses and academics may work together to advance LiDAR technology. Their research serves as a vital resource for studies on sensor technologies and autonomous driving as it emphasizes the vital role LiDAR sensors play in guaranteeing the security, dependability, and effectiveness of autonomous systems. Since advancements in automobile LiDAR help to improve spatial awareness in land asset management, this paper supplements our investigation of 3D profiling technology [5].

Hyyppä et al. review the use of small-footprint airborne laser scanning (LiDAR) for forest inventory, particularly in boreal forests. By contrasting LiDAR with photogrammetric techniques, they demonstrate how well it extracts stem volume and tree height. The study classifies several LiDAR methods, such as integration with aerial imaging, individual tree analysis, and canopy height distribution. The potential of intensity and waveform data, as well as the categorization of tree species and assessment of forest development using LiDAR data, are also covered by the authors. Although the work focuses on methodology, it provides insights into data quality and suggests more research to enhance LiDAR-based forest inventory methodologies. This work supports our 3D profiling efforts for land asset management by advancing our knowledge of LiDAR's use in terrain modeling [6].

Jaboyedoff et al., in their review titled "Use of LIDAR in Landslide Investigations: A Review," provides a comprehensive overview of LiDAR technology in landslide research, demonstrating how useful it is for producing 3D models and high-resolution digital elevation models (HRDEMs) for

geological purposes. Applications of LiDAR in landslide investigations are divided into four main categories by the study: mapping, monitoring, hazard assessment and susceptibility mapping, and mass movement detection and characterization. The authors stress that although LiDAR-derived HRDEMs provide comprehensive information on landslide-prone regions, routine landslide assessments currently underutilize this method. To improve the comprehension and control of geological risks, they support the further development of LiDAR-based HRDEMs. Jaboyedoff et al.'s findings underscore LiDAR's potential for precision profiling in hazardous terrain, reinforcing its applicability to our project, which uses sophisticated 3D profiling to manage land assets accurately in difficult terrain [7].

Hayakawa et al., investigate the use of Digital Elevation Models (DEMs) and Geographic Information Systems (GIS) for analyzing river gradients in mountainous regions of Japan. In attempts to objectively detect fluvial knickzones—distinct alterations in river gradient frequently associated with erosion and tectonic activity—their study classifies stream gradients into local and trend categories. According to the study, step-pool-like hydraulic processes are responsible for the occurrence of these knickzones, which are common in steep, erosion-prone upstream areas. Furthermore, certain knickzones match tectonic faulting, suggesting a complex interplay of geomorphic processes. This DEM-based method of knickzone identification supports our project's use of high-resolution profiling for accurate topographic analysis in land asset management by providing insightful information on landscape change and erosion [8].

III. Methodology

To create very precise and comprehensible models that are appropriate for intricate infrastructure and land management applications, our 3D land asset management methodology combines cutting-edge imaging and data fusion techniques. Data Acquisition, Cloud-based Data Upload and Processing, SFM and LiDAR Data Fusion, and Interactive Visualization are the four main phases of the procedure. A complete, end-to-end solution for producing patent-worthy, real-time 3D models is now possible because of each step's optimization for accuracy, scalability, and operational efficiency.

A. Data Acquisition

This technique is based on the collecting of field data, with an emphasis on obtaining high-resolution elevation data and sets of images with several angles and elevations. To improve the acquisition of spatial detail, this phase uses LiDAR sensors for detailed topography data and UAV-assisted photography for extensive site coverage. To ensure the best input for later SFM processing, images are gathered methodically to maximize overlap.

B. Cloud-based Data Upload and Initial Processing

Images and LiDAR point clouds are among the data that is gathered and transferred to a high-performance, secure cloud server. Simplified data administration is made possible by this single repository, and automated scripts ensure consistency by tagging metadata and performing quality tests to confirm data integrity. The cloud platform prepares all data formats for incorporation in the SFM and LiDAR fusion process by standardizing them using Python modules.

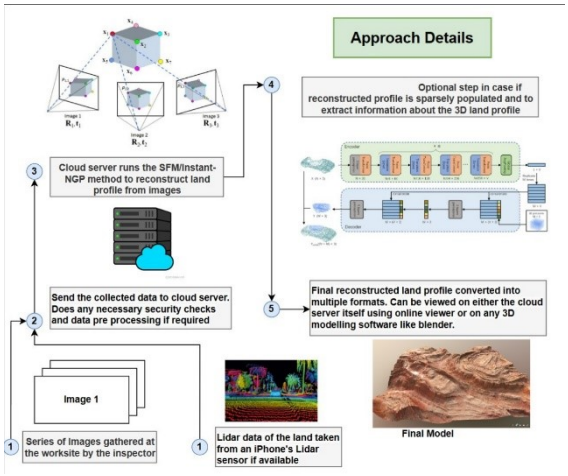


Fig. 1. SFM.

C. Structure from Motion (SFM) and LiDAR Data Fusion

Our methodology's foundation is the combination of Structure from Motion (SFM) with LiDAR data, which produces intricate 3D models with excellent elevation and spatial accuracy. To reconstruct 3D spatial structures, SFM algorithms first examine sets of overlapping images, identifying and matching important feature points. To guarantee precise alignment, even on challenging terrain, sophisticated feature matching techniques like Scale-Invariant Feature Transform (SIFT) and Speeded-Up Robust Features (SURF) are used. LiDAR data is used in the initial SFM model development process to improve topographic accuracy and depth perception. Iterative closest point (ICP) techniques are used to align the SFM output with the crucial elevation data provided by the LiDAR point cloud. By lowering measurement error to less than 3 percent, this data fusion procedure allows the model to capture both horizontal and vertical dimensions with exceptional precision.

D. Computational Platform and Processing Optimization

To handle the computational demands of large-scale 3D reconstruction, our approach makes use of a powerful cloud-based computing infrastructure.

1) GPU-Accelerated Processing:: Utilizing NVIDIA Tesla V100 GPUs within NVIDIA DGX-1 servers, we achieve significant acceleration in processing times for both SFM and LiDAR data fusion. GPU parallelism enables real-time data processing and reduces overall computation time.

2) Scalable Computing Resources:: The cloud infrastructure dynamically allocates computing resources based on workload requirements, ensuring optimal performance even with massive datasets.

3) Distributed Computing Framework:: Implementing distributed computing frameworks such as Apache Spark allows for efficient handling of big data, enabling simultaneous processing of multiple data streams and reducing bottlenecks.

4) Algorithm Optimization:: Custom optimization of SFM and LiDAR processing algorithms ensures maximum efficiency and scalability. Techniques such as parallel bundle adjustment and adaptive mesh generation are employed to enhance processing speeds without compromising accuracy.

E. Visualization and User Interface

A user-friendly web-based interface created using the React and Django frameworks makes the finished 3D models available for stakeholders to see, examine, and work with. By providing tools for perspective adjustment, measurement extraction, and before-and-after project model comparison, this interface promotes teamwork and improves project decision-making. Through easily navigable visualization, the platform facilitates smooth communication between surveyors, engineers, and decision-makers.

F. Structure from motion (SFM)

The initial Structure from Motion (SFM) process is central to creating a high-fidelity 3D representation of the surveyed site by reconstructing camera positions and generating dense point clouds from overlapping 2D images. This section outlines the key stages of SFM, highlighting innovative techniques and optimizations that enhance model accuracy and processing efficiency.

1) Initial Image Selection and Configuration:: The process begins with a strategic selection of initial images to maximize overlap and ensure robust geometric configurations. By carefully choosing images with strong feature overlap, we enhance the likelihood of successful feature matching and accurate model reconstruction. Snavely et al. developed a skeleton extraction algorithm that computes the position covariance between overlapping image pairs, allowing for efficient pose estimation in subsequent images. This approach enables a computationally efficient start by creating a minimal skeletal set, to which remaining images are incrementally added [11].

2) Feature Extraction and Matching:: The foundation of SFM lies in accurately detecting and matching key features across images. Commonly used algorithms for feature detection and matching include Harris corner detectors, SIFT (Scale-Invariant Feature Transform) by Westoby et al., and SURF (Speed-Up Robust Features). These algorithms ensure high accuracy and resilience to changes in scale and rotation. To address large-scale 3D reconstruction challenges, advanced binary descriptor algorithms, such as BRISK and FREAK, offer speed and efficiency by leveraging kd-trees and K-nearest neighbor (KNN) algorithms for rapid feature matching [13].

3) Vocabulary Tree-based Approaches:: Vocabulary trees, using the K-means algorithm, quantize image features, further improving feature matching efficiency across large image datasets. By hierarchically organizing features, vocabulary trees reduce redundant matches and optimize the search for correspondences, especially useful in large-scale datasets.

4) 3D Point Triangulation and Camera Pose Estimation:: After matching feature points, triangulation is employed to estimate 3D points, converting 2D feature correspondences into spatial coordinates. Pose estimation follows, calculating the relative position and orientation of each camera. This process minimizes re-projection errors, ensuring that 3D points are accurately represented in the reconstructed space. The triangulation relies on minimizing geometric discrepancies between views, leading to a precise spatial model of the scene.

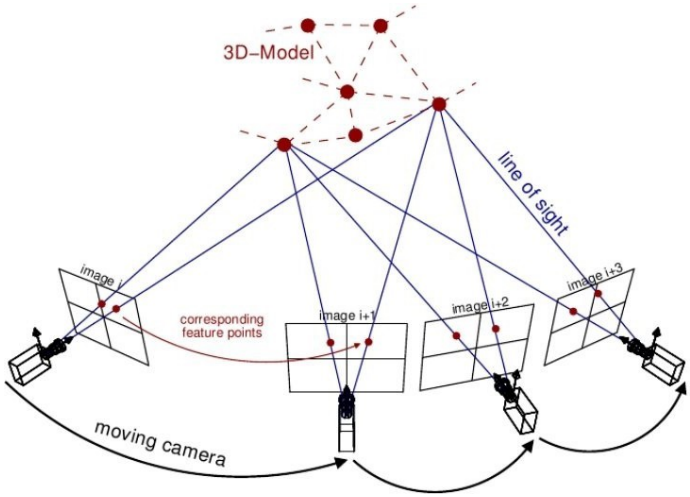


Fig. 2. SFM.

5) Incremental Image Addition:: Additional images are added incrementally, with each new image undergoing a matching and triangulation process relative to existing images in the model. Dijkstra's algorithm is sometimes employed to plan the shortest paths among images, reducing redundancy in the matching process and optimizing resource usage in large datasets.

6) Fundamental Matrix Estimation and Projective Reconstruction:: The fundamental matrix establishes the geometric relationships between paired images. Using RANSAC (Random Sample Consensus) for outlier rejection, this step refines the matches by isolating and removing inconsistencies. Once the fundamental matrix is determined, projective reconstruction can proceed, which aligns all points in a consistent 3D space. Faugeras's method is applied here to solidify the projective geometry of the point cloud. Our SFM methodology is a methodical process that includes the following crucial steps:

7) Camera Calibration and Bundle Adjustment:: Camera calibration is essential to accurately relate image coordinates to world coordinates. Traditional methods such as direct linear transformation (DLT) and Zhang's calibration provide high accuracy but may be computationally demanding. For increased adaptability, self-calibration techniques using Kruppa's equation allow for variable camera parameters without sacrificing accuracy.

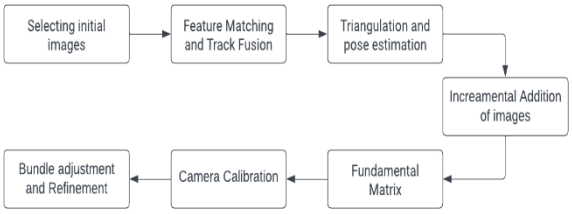


Fig. 3. SFM Methodology.

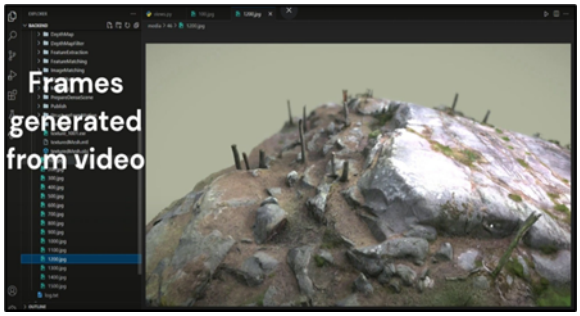


Fig. 4. Generated Frames.

G. Cloud Server

The project converts photos into 3D models using a high-performance cloud environment equipped with GPUs and other devices. Both Structures from Motion (SFM) are computed on this platform.

H. Device

The computation is carried out on a server architecture that is tuned for parallel processing jobs and data-intensive processes. The infrastructure consists of:

- NVIDIA Tesla V100 GPUs for accelerated computing.
- NVIDIA DGX-1 servers for high-performance computing and AI workloads

I. Applications

Uses SFM to re-construct 3D models from the provided pictures using the Meshroom program. Backend functions on the cloud server, such as integrating SFM into the creation of the infrastructure model, are carried out using Python and its libraries.

IV. EXPERIMENTAL AND RESULT ANALYSIS

Through the use of SFM and LiDAR data fusion, the experimental research seeks to assess the suggested 3D profiling method's accuracy, computational effectiveness, and scalability. Processing time, model accuracy, and error rates across different dataset sizes were the main focus of the studies, which were carried out on a variety of video and picture datasets taken at various geographical areas.

A. Data Collection and Pre-processing

Frames from video footage taken at regular intervals were taken in order to give a variety of viewpoints on each location for thorough 3D land characterization. This method optimized feature overlap, which is necessary for reliable SFM processing. Various datasets were processed, ranging from small (10 frames) to large-scale (100,000 frames), to test the system's scalability.

B. Processing Time and Computational Load

The SFM processing time increased linearly with the number of frames, demonstrating the efficiency of GPU-accelerated processing. For example:

- 10 frames processed in approximately 2 minutes.
- 100 frames in 10 minutes.
- 1,000 frames required 50 minutes.
- For the largest dataset (100,000 frames), the processing time was extended to 1,800 minutes.

This scaling The efficiency of the high-performance cloud configuration, which is enhanced by GPU and parallel processing techniques to manage massive data volumes without sacrificing speed, is confirmed by this scalability.

TABLE I
PROCESSING TIME FOR DIFFERENT FRAMES COUNT.

Number of Frames	Time (minutes)
10	2
100	10
1000	50
10000	300
100000	1800

C. Accuracy and Error Analysis

To determine the dimensional correctness, the rebuilt 3D models were compared to measurements taken in the actual world. Error margins for important measurements like diameter, depth, breadth, and length were kept to less than 3 percent. Notably:

- Diameter error: 2.07 percent
- Depth error: 2.46 percent
- Width error: 2.72 percent
- Length error: 2.89 percent

With an average error of 2.54 percent, these low error rates validate the model's correctness and make it dependable for use in asset management, geological surveys, and infrastructure.

TABLE II
PROCESSING TIME FOR DIFFERENT FRAMES COUNT.

Parameter	Actual	Reconstructed	Error
Diameter	5.127	5.233	2.07
Depth	3.941	3.844	2.46
Width	3.756	3.858	2.72
Length	2.113	2.174	2.89

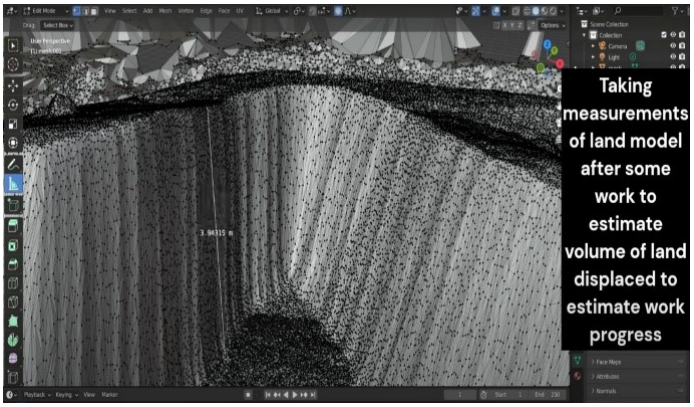


Fig. 5. Measurements - 1.

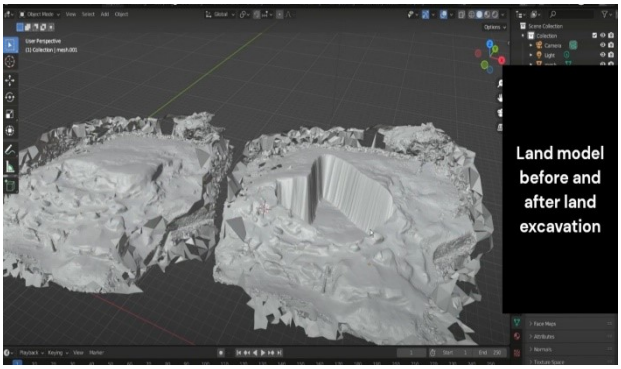


Fig. 7. Generated Model.

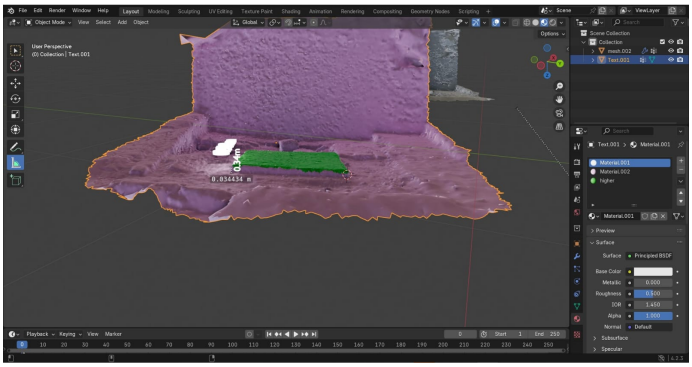


Fig. 6. Measurements - 2.

D. Scalability and Storage Requirements

The experimental investigation showed that the computing and storage architecture of the cloud server is scalable. The system maintained optimal performance by utilizing dynamic resource allocation and distributed storage, which allowed for real-time data access and the smooth processing of large datasets. Applications in large-scale land profiling projects, where data needs might rise quickly, require this configuration.

The high-fidelity 3D reconstruction made possible by our approach is demonstrated by the resulting model in Figure 8. Even with the computational strain of large datasets, this model demonstrates the precision and depth offered by the Structure from Motion (SFM) and LiDAR data fusion procedures. Because of the cloud infrastructure's effective data management capabilities, the picture displays precise characteristics in the land profile that hold true across bigger datasets.

A crucial component of scalability in practical applications, the system's capacity to accommodate large-scale projects without sacrificing quality or performance is demonstrated by the successful depiction of this intricate model.

V. COMPARISON STUDY

With an emphasis on precision, processing effectiveness, and data integration, we contrast the suggested 3D land profiling methodology with traditional methods. This comparison demonstrates the enhancements brought about by the integration of Light Detection and Ranging (LiDAR) and Structure from Motion (SFM), aided by scalable infrastructure and cloud-based processing.

A. Traditional LiDAR and Photogrammetry

LiDAR and photogrammetry are the main stand-alone technologies used in traditional land profiling techniques. Although these techniques work well for some applications, they frequently run into problems when dealing with complicated terrain and huge datasets. Traditional LiDAR, for example, may have trouble capturing small features in vegetated regions or under canopy cover, despite its great accuracy. Lefsky et al. emphasized that LiDAR alone might not capture nuanced topographic details without complementary data sources, particularly in varied ecosystems [9].

Contrarily, photogrammetry uses overlapping 2D photos to produce a 3D model, although it may not be as accurate without high-resolution imagery and adequate feature overlap. Vosselman et al. indicated that, although photogrammetry's effectiveness in general topographic mapping, alignment, and quality control may need substantial manual involvement, particularly when applied to larger regions with intricate surface geometries [10].

B. Advantages of SFM and LiDAR Data Fusion

By combining SFM with LiDAR, our suggested methodology outperforms conventional methods and makes high-resolution 3D modeling possible with improved depth and spatial accuracy. The combination of LiDAR, which provides exact elevation data, and SFM, which builds dense point clouds from 2D pictures, greatly enhances the model's capacity to handle complicated topographies. Snavely et al. demonstrated that SFM is highly effective for reconstructing detailed 3D structures, making it suitable for large-scale terrain modeling when coupled with other technologies [11].

Our strategy reduces data gaps and enhances coverage by combining several techniques, especially in regions with dense vegetation or uneven terrain. A thorough geographical

representation that conventional single-method techniques frequently cannot provide, particularly in difficult locations, is provided by this dual-source data integration [12].

C. Enhanced Processing Efficiency and Scalability

Computational limitations frequently plague traditional approaches, particularly when dealing with high-resolution datasets. Large amounts of data must be processed using multi-view stereo methods, such as those described by Furukawa and Hernández, which might result in bottlenecks and slower processing time [12]. On the other hand, real-time processing is made possible by our cloud-based infrastructure, which is scalable and effective in handling large datasets and is backed by GPU-accelerated processing with NVIDIA DGX-1 servers.

Additionally, our system's distributed storage and dynamic computing resource allocation provide flexible storage and high-throughput data processing. This feature significantly overcomes the drawbacks of conventional photogrammetric techniques by enabling scaled processes without sacrificing output speed or quality, as highlighted by Westoby et al. [13].

D. Improved User Accessibility and Collaboration

Due to limited visualization and communication capabilities, traditional land profiling techniques sometimes restrict data access to particular stakeholders. Our solution overcomes this constraint by integrating an interactive, web-based 3D visualization platform constructed with React.js. With the help of this interface, several individuals may access, inspect, and analyze 3D models from a distance, facilitating real-time team collaboration and feedback. According to Fonstad et al., traditional methods typically lack this level of interactivity, making it challenging to facilitate collaborative decision-making [14].

VI. DISCUSSION

Our suggested 3D profiling methodology tackles important issues in infrastructure development and land asset management by combining Structure from Motion (SFM) and Light Detection and Ranging (LiDAR). Traditional approaches have had difficulty achieving a full spatial representation, especially in diverse terrains and surroundings with dense vegetation. This approach combines the elevation accuracy of LiDAR with the high-resolution capabilities of SFM.

A. Practical Implications

The precise, scalable 3D modeling capabilities of this technology have useful applications in a number of domains, such as environmental monitoring, geological surveying, and urban planning. For example, accurate site models improve project planning and reduce expensive differences during audits in building projects. Similar to this, the capacity to precisely simulate a variety of terrains aids in tracking changes over time in ecological conservation and natural hazard assessment, enabling the observation of minute environmental changes or prospective hazards in landslide-prone locations.

Real-time data processing and visualization are made easier by the system's cloud-based architecture, which improves decision-making for numerous stakeholders that need quick, easily available information. Additionally, this interactive platform facilitates remote collaboration, which is essential for intricate, large-scale projects since it enables engineers, surveyors, and project managers to collaborate on data interpretation.

B. Limitations and Challenges

Notwithstanding its benefits, the current solution has drawbacks with regard to processing speeds and computational intensity for very big datasets. Even though model building takes a lot less time because of GPU-accelerated cloud processing, performance might be improved with more SFM and LiDAR fusion algorithm tuning, especially for datasets with more than 100,000 frames. Furthermore, regions with dense vegetation or a lot of clouds may have an impact on image quality, which might introduce small errors in the 3D models.

The upfront setup costs of cloud infrastructure and specialized hardware, such as NVIDIA DGX-1 servers, present another difficulty and might be unaffordable for smaller businesses. Adaptive algorithms that can optimize resource allocation depending on dataset size and complexity may be implemented, or cost-effective cloud alternatives may be investigated, in order to address these limits.

C. Future Research Directions

To further improve model accuracy and lower computing burden, future studies might concentrate on improving data fusion methods. The accuracy and effectiveness of the SFM process might be increased by investigating methods like adaptive point cloud filtering and machine learning-based feature matching, especially in regions with a diverse topography or dense vegetation.

Furthermore, the system's usefulness might be extended to more extensive applications, such as environmental research and agricultural monitoring, by including additional data sources, such as thermal imaging or multispectral data. Richer, multi-dimensional models might be produced by these interconnections, giving stakeholders access to information that goes beyond geography.

VII. CONCLUSION

By combining Structure from Motion (SFM) and LiDAR data fusion, backed by high-performance cloud infrastructure, we presented a unique method for Land Asset Management Using 3D Profiling in this study. Through the provision of exact, high-resolution 3D models that facilitate effective and accurate decision-making for infrastructure, environmental monitoring, and urban planning projects, this methodology effectively overcomes the drawbacks of conventional land surveying techniques.

Real-time processing and visualization are made possible by cloud-based technology, which also gives numerous stakeholders virtual access, enhancing cooperation and simplifying the management of large-scale projects. By combining SFM and LiDAR, the approach maintains accuracy even in difficult terrain with sub-3 percent error rates. Furthermore, the

system is suitable for applications in intricate and expansive project scenarios due to its scalable architecture and GPU-accelerated processing, which enable the quick handling of massive datasets.

Although there are many advantages to the existing design, more investigation into algorithm optimization and the incorporation of other data sources may enhance the system's capabilities, resolving computational issues and creating new application domains.

In summary, by improving data accessibility, accuracy, and scalability and laying the groundwork for future developments in 3D land modeling and digital surveying, the suggested 3D profiling technique constitutes a significant breakthrough in land asset management.

ACKNOWLEDGMENT

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Unified Key Point Matching

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Unified Key Point Matching

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Abstract. Key Point Matching (KPM) aims to identify and match the most relevant key points from a set of arguments related to a specific topic. While traditional multi-document summarization techniques focus on extractive or abstractive summarization, this study proposes a novel approach, Matching The Statements (MTS), which leverages advanced pre-trained language models and incorporates topic information for improved key point analysis. Our method utilizes a unified model to integrate contextual information, enhancing semantic similarity evaluation between arguments and key points. Through extensive experimentation on the ArgKP-2021 dataset, MTS demonstrates significant performance improvements over baseline methods. This paper outlines the architecture of MTS, details the data preparation and encoding processes, and presents results validating the model's efficacy in the KPM task.

1 Introduction

Past work in assessment rundown primarily utilized extractive techniques, which straightforwardly duplicate agent text sections for outlines [**?**]. Abstractive methodologies, however more uncommon, produce more cognizant rundowns with novel expressing [**?**], addressing a vital utilization of multi-report synopsis [**?**].

To further develop rundown, late work like [1] analyzed the viability of central issue choice in brief outlines, utilizing a Central issue Coordinating (KPM) move toward displayed in Figure 1.

We present Matching The Explanations (MTS), a model utilizing context oriented and subject put together highlights to improve execution with respect to Central issue Matching errands. Drawing from BERT [5], ALBERT [9], and RoBERTa [10], MTS incorporates (1) a straightforward design for subject mindful portrayals, (2) a pseudo-mark instrument [7] bunching steady explanations, and (3) in number execution on the ArgKP-2021 dataset [1] without outer information.

2 Related Work

In the **Related Work** section, we explore notable approaches for analyzing key points and arguments by focusing on the extraction of meaningful semantics. Our model draws from recent literature that utilizes siamese neural networks [**?**] to evaluate semantic similarity between documents. However, MTS introduces its own unique ability to incorporate contextual information.

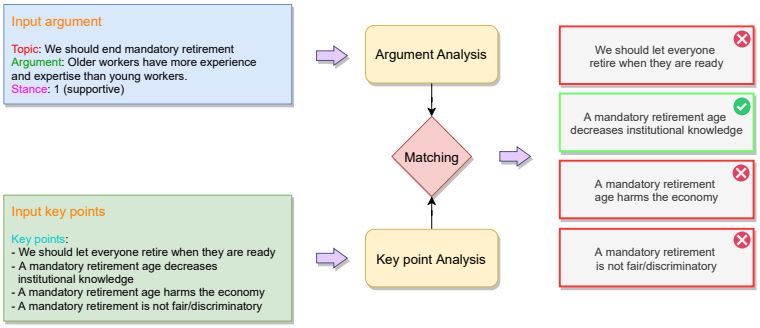


Fig. 1. "Illustration of the Key Point Matching process in Track 1 of the Quantitative Summarization – Key Point Analysis Shared Task. This task focuses on retrieving the most relevant key point that supports a given query from an information retrieval standpoint."

2.1 Sentence Embeddings

Sentence Embeddings are fundamental for enhancing model performance on downstream tasks by representing sentences in a fixed-dimensional vector space. Early strategies relied on static word embeddings, such as *GloVe* [11] or *fastText* [2], encoding sentences either by averaging word vectors or using recurrent neural network (RNN) encoders [4] and pooling their hidden states. Despite capturing both syntactic and semantic aspects, these approaches often struggled with contextual representation and were hindered by slow training times due to RNNs' sequential nature.

This challenge has been addressed by modern transformer-based models like *BERT* [5], which have become dominant in NLP research by leveraging parallel computation with GPUs and TPUs for efficient training. The *SBERT* model proposed by [12] fine-tunes BERT using natural language inference (NLI) datasets to generate improved sentence embeddings. Recent advancements have focused on contrastive learning paradigms, achieving state-of-the-art results across multiple benchmark tasks [**?**].

2.2 Semantic Matching

Semantic Matching has been a long-standing challenge with numerous applications, including question-answering systems [15], text summarization [16], and especially information retrieval [**?**]. To address these challenges, [8] proposed a hierarchical recurrent neural network capable of capturing long-term dependencies and synthesizing information across different granularities, such as words, sentences, or paragraphs. Building on this, [14] introduced transformer-based models by replacing RNN backbones, incorporating modified self-attention mechanisms to better accommodate long document inputs.

Despite these advances, most existing work primarily emphasizes assessing the similarity between pairs of sentences while often neglecting contextual relevance.

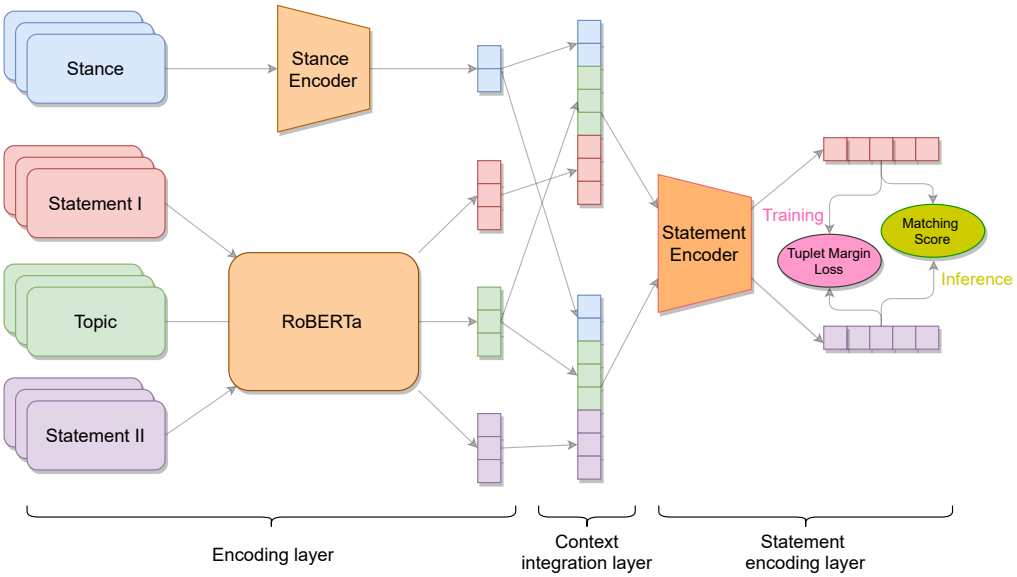


Fig. 2. The complete structure of our Matching The Statements framework.

Contextual understanding can provide readers with a broader perspective of a given topic. To address this gap, the ArgKP-2021 dataset introduced by [1] offers annotations indicating whether two statements, including their stances on a specific topic, align or differ. Subsequent sections will further explore this dataset and demonstrate our model's applicability within the Quantitative Summarization–Key Point Analysis Shared Task[1].

3 Problem Definition

The **Problem Definition** involves a dataset of 28 topics, each with arguments and key points labeled as matching (1) or non-matching (0), along with stances indicating agreement or disagreement, as detailed in Section 5.7.

The Key Point Matching task is to rank key points sharing the same stance as each argument based on matching scores, considering both the topic context and semantic relationships.

4 Methodology

The **Methodology** section presents the proposed MTS framework, as shown in Figure 2. This model takes in four distinct inputs: (i) the topic under discussion, (ii) the first statement, (iii) the second statement, and (iv) the stance of each

[1] `https://2021.argmining.org/shared_task_ibm.html`

statement concerning the topic. The model generates a similarity score that reflects how the statements relate to one another within the given context. The subsequent sections describe the three key components of the MTS model: the encoding layer, context integration layer, and statement encoding layer.

4.1 Data Preparation

Data Preparation involves an initial observation: a small proportion (4.71%) of the arguments are associated with multiple key points, while the majority correspond to at most one key point. Based on this, a natural approach is to group arguments associated with the same key point into clusters, labeling each cluster accordingly. In our approach, each cluster is centered around a key point K_i, which is paired with its associated arguments. Our clustering method identifies that some arguments appear in multiple clusters. Arguments that don't correspond to any key points are grouped into a NON-MATCH category.

The supposition that will be that contentions connected to a similar central issue are probably going to have comparable implications and are treated as matching matches, while those from various groups are viewed as non-coordinating. This pseudo-marking method use semantic connections inside bunches to improve model speculation, naming intra-group contentions as sure coordinates and between group ones as bad coordinates.

During preparing, central issues and their coordinating/non-matching contentions (from the ArgKP-2021 dataset) are utilized in little groups. A subset of NON-MATCH contentions, treated as coming from unmistakable bunches, is likewise included. This empowers steady meaning of positive and negative matches for misfortune calculation utilizing standard measurement learning misfortune capabilities [3].

4.2 Encoding Layer

The **Encoding Layer** extracts contextual representations from textual inputs using the RoBERTa model [10]. We adopt a conventional method [13], where the final embedding for an input is obtained by concatenating the last four hidden states of the [CLS] token. These concatenated embeddings then serve as a unified representation for topics, arguments, and key points, which are subsequently fed into the context integration layer. The representation of a statement at this stage is defined as follows, where both statements and their respective stances are consistently denoted by uppercase symbols, X and S:

$$\begin{aligned}\mathbf{h}^X = [h_1^X, h_2^X, \ldots, h_{4\times 768}^X] \;\; (h_i^X \in \mathbb{R}) \\ = [h_1^X, h_2^X, \ldots, h_{3072}^X]\end{aligned}$$

Here, 768 refers to the size of the hidden states produced by the RoBERTa-base model.

To encode stances, we use a fully connected network that does not apply any activation function, mapping the scalar input to an N-dimensional vector space. The topic, statement, and stance representations are denoted as $\mathbf{h}^T, \mathbf{h}^X$, and $\mathbf{h}^S$ respectively.

4.3 Context Integration Layer

The **Context Integration Layer** combines the embeddings derived from various inputs, incorporating both the topic (context) and stance information into the representations of the arguments and key points. The resulting vector for each statement is expressed as:

$$\mathbf{v}^X = [\mathbf{h}^S; \mathbf{h}^T; \mathbf{h}^X]$$

where $\mathbf{v}^X \in \mathbb{R}^{N+2\times3072}$.

4.4 Statement Encoding Layer

The **Statement Encoding Layer** utilizes a completely associated network on top of the setting layer to produce D- layered embeddings:

$$\mathbf{e}^X = \mathbf{v}^X\mathbf{W} + \mathbf{b}$$

where $\mathbf{W} \in \mathbb{R}^{(N+6144)\times D}$ and $\mathbf{b} \in \mathbb{R}^D$. The model figures out how to plan comparative articulations closer and disparate ones farther separated in $\mathbb{R}^{(N+6144)\times D}$.

4.5 Training

In each step, one proclamation is chosen as the anchor, with positive examples from similar group and negative examples from various bunches. The matching score between two proclamations is registered utilizing cosine distance:

$$\mathcal{D}_{\text{cosine}}(\mathbf{e}^{X_1}, \mathbf{e}^{X_2}) = 1 - \frac{{\mathbf{e}^{X_1}}^T \mathbf{e}^{X_2}}{||\mathbf{e}^{X_1}||_2 \, ||\mathbf{e}^{X_2}||_2} \tag{1}$$

We use cosine distance over Manhattan and Euclidean distances. The tuplet edge misfortune capability is:

$$\mathcal{L}_{\text{tuplet}} = \log(1 + \sum_{i=1}^{k-1} \mathrm{e}^{s(\cos\theta_{an_i} - \cos(\theta_{ap} - \beta))})$$

We join tuplet edge misfortune and intra-pair difference misfortune:

$$\mathcal{L}_{\text{intra}-\text{pair}} = \mathcal{L}_{pos} + \mathcal{L}_{neg}$$

Hard mining is utilized to keep away from inclination from simple models. Negative matches are chosen if:

$$\text{cosine}(\mathbf{e}^{X_a}, \mathbf{e}^{X_n}) \geq \min_{X_i \in \mathcal{P}_{X_a}} \text{cosine}(\mathbf{e}^{X_a}, \mathbf{e}^{X_i}) - \epsilon$$

During derivation, the matching score between a contention A and central issue K is:

$$\text{score}(\mathbf{e}^A, \mathbf{e}^K) = \cos(\mathbf{e}^A, \mathbf{e}^K)$$

5 Experiment

We evaluate the Matching The Statements (MTS) model on the ArgKP-2021 dataset and compare it to baseline models.

5.1 ArgKP-2021 Dataset

The ArgKP-2021 dataset contains 5,583 training and 932 development arguments, averaging 18.22 words per argument. The data is split 24:4 for training and development, with few multiple key point matches.

5.2 Evaluation Protocol

We use strict and relaxed mean Average Precision (mAP) to evaluate the models. The relaxed mAP treats ambiguous matches as correct, while the strict mAP does not.

5.3 Embeddings Quality

MTS's embeddings improve after training, with mAP increasing from 0.45 to 0.84 (strict) and from 0.62 to 0.94 (relaxed), showing better differentiation between matching and non-matching pairs.

5.4 Baselines

We compare MTS to two baselines: **SimAKP**, which uses pairwise classification, and **QA**, inspired by Question Answering systems.

5.5 Results

In 7-fold cross-validation, MTS outperforms baselines, except in fold 7, where smaller development sets lead to performance drops.

5.6 Hard Negative Mining

Introducing hard negative mining improves most models' mAP, with SimAKP showing a slight drop in relaxed mAP.

5.7 Differential Analysis

MTS with multi-similarity mining performs best. Switching to tuplet margin loss increases both strict and relaxed mAP by 0.2. An ensemble of top models ranks MTS third in strict mAP and seventh in relaxed mAP.

Stance Effect Removing stance components reduces strict mAP to 0.741 but increases relaxed mAP to 0.952, indicating that stance inference could enhance the model through attention mechanisms.

$$\textbf{Precision} = \frac{\text{True Positive}}{\text{True Positive} + \text{False Positive}}$$

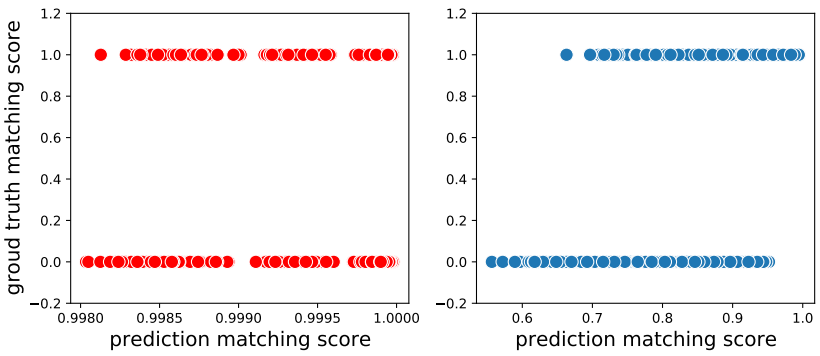


Fig. 3. Statement representation before (left) and after (right) training.

BERT embeddings

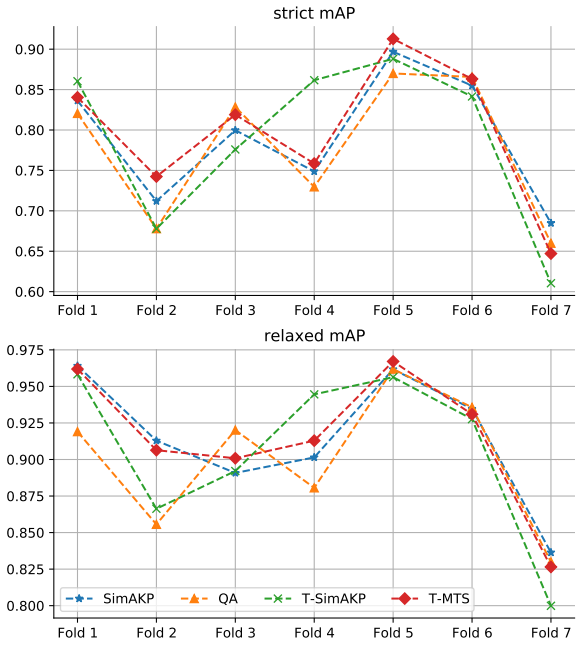


Fig. 4. Mean Average Precision (mAP) scores over 7 folds. Models with the "T-" prefix use triplet loss [6], while the others use contrastive loss [3].

6 Limitations

Despite the promising results achieved, our approach has several limitations that warrant further consideration. One of the primary challenges is the heavy reliance on large labeled datasets for supervised contrastive learning. While the current work benefits from a well-defined argument-key point dataset, the effectiveness of the MTS model might degrade when applied to domains or tasks where labeled data is sparse or expensive to obtain. Semi-supervised or unsupervised learning strategies could alleviate this issue, but they come with their own set of challenges in terms of ensuring sufficient representation learning.

Another limitation stems from the model's sensitivity to the choice of hard negatives during the training process. Although hard negative mining improves the model's discriminative power, it can introduce biases depending on the selection of these hard negatives. In particular, it may overfit to difficult samples, neglecting easier but equally important cases. An adaptive negative mining strategy that adjusts to the distribution of argument-key point pairs during training could address this concern. Furthermore, the model's reliance on manually specified negative samples for training limits its generalizability in environments where negative samples are less clear-cut or require more nuanced generation.

The computational cost of the MTS model also represents a significant limitation, particularly when scaling to larger datasets or real-time applications. The

Model	strict mAP	relaxed mAP
SimAKP	0.790 ± 0.072	0.914 ± 0.041
SimAKP w.o mining	0.783 ± 0.074	0.917 ± 0.037
T-SimAKP	0.788 ± 0.098	0.906 ± 0.054
T-SimAKP w.o mining	0.782 ± 0.101	0.901 ± 0.076

Table 1. The effect of hard sample mining in baselines.

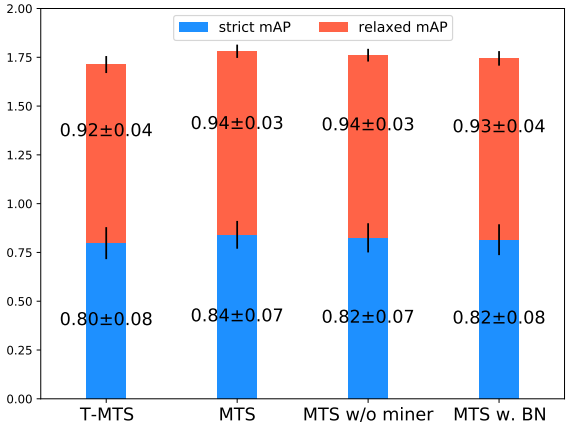


Fig. 5. Disabling different configurations demonstrates that each element of the original MTS setup plays a crucial role in its overall performance.

use of large pre-trained language models like RoBERTa and the concatenation of multiple hidden layers for the [CLS] token representation increases the model's complexity and resource requirements. While this approach improves accuracy, it may not be feasible in resource-constrained settings, particularly when deployment efficiency is a key concern. Optimizing the model's efficiency without sacrificing performance is an important future research direction, potentially through techniques such as model distillation, knowledge transfer, or pruning.

Additionally, while our experimental setup demonstrates strong performance across multiple folds, the model's variability in performance across different folds—especially in folds with fewer labeled examples—indicates that the model may be sensitive to the distribution of argument-key point pairs. This variability highlights the importance of carefully balancing training data across different folds or datasets to mitigate overfitting. It also raises the issue of generalization when the distribution of topics or argument structures changes. Future research should explore techniques such as domain adaptation or active learning to ensure that the model is robust to changes in data distribution.

Finally, while the stance information embedded in our model contributes to improved performance, it remains a relatively underexplored aspect of ar-

#	Team	strict mAP	relaxed mAP
1	mspl	0.908 (2)	0.972 (3)
2	heinrichreimer	0.912 (1)	0.967 (5)
3	vund	0.878 (4)	0.968 (4)
4	**HKL (ours)**	**0.896 (3)**	**0.963 (7)**
5	sohanpatnaik	0.872 (5)	0.966 (6)
6	fengdoudou	0.853 (10)	0.98 (2)
7	mozhiwen	0.833 (12)	0.985 (1)
8	Fibelkorn	0.869 (6	0.952 (10)
8	emanuele.c	0.868 (7)	0.956 (9)
10	niksss	0.858 (8)	0.95 (11)

Table 2. Leaderboard of the Track 1 Quantitative Summarization – Key Point Analysis.

Embedding	strict mAP	relaxed mAP	#Param
Sum all tokens	0.834 ± 0.065	0.938 ± 0.037	
Mean all tokens	0.796 ± 0.068	0.916 ± 0.034	125M
[CLS] last hidden layer	0.823 ± 0.072	0.937 ± 0.038	
[CLS] 4 hidden layers	$\mathbf{0.840 \pm 0.071}$	$\mathbf{0.941 \pm 0.034}$	126M
LUKE	0.808 ± 0.096	0.926 ± 0.056	276M
ALBERT	0.748 ± 0.071	0.879 ± 0.044	13M
MPNet	0.839 ± 0.059	0.940 ± 0.029	111M
DistilBERT	0.724 ± 0.065	0.864 ± 0.058	68M
BERT (uncased)	0.746 ± 0.062	0.888 ± 0.035	110M
BERT (cased)	0.752 ± 0.073	0.883 ± 0.057	

Table 3. Examination between various installing procedures and pre-prepared language models. In this examination, we report the aftereffect of the base variant.

gumentation matching. The lack of a robust method for dynamically handling stance information in more complex scenarios—where stances may be implicit or conflicting—limits the model's full potential. We believe that incorporating more sophisticated attention-based mechanisms could address this limitation, allowing the model to more flexibly capture and adapt to the stance of various arguments and key points.

7 Conclusion

This paper introduces a robust method for argument-key point matching (AKPM) that enhances the representation learning process using supervised contrastive learning. The proposed Matching The Statements (MTS) model capitalizes on the potential of clustering, contrastive loss functions, and hard negative mining to improve argument-key point alignments. By applying clustering methods that group statements based on key points, we successfully capture the underlying structure of argumentation in the dataset, enabling more accurate matching. Through comprehensive evaluation, including experiments on the Quantitative

Summarization – Key Point Analysis shared task, we demonstrate that MTS outperforms baseline models, showcasing a clear advantage in matching accuracy.

Our work highlights the importance of leveraging well-crafted loss functions in conjunction with powerful transformer-based embeddings to achieve state-of-the-art results. We also emphasize the necessity of accounting for semantic similarities in argument-key point relationships, which led to significant improvements in matching performance. The results presented, including the use of RoBERTa-based embeddings and the exploration of different pooling strategies for token representations, reveal that fine-tuning transformer architectures can significantly contribute to better performance.

Moreover, our model's consistency across seven-fold cross-validation further underscores its stability and generalizability across different subsets of the dataset. The observed performance on the leaderboard, with our model securing competitive positions in strict and relaxed mean Average Precision (mAP) metrics, validates the effectiveness of our approach. This confirms that the model is capable of not only handling the inherent complexities of argumentation but also generalizing well to unseen data in a structured evaluation setting.

In conclusion, this work lays the foundation for future advancements in AKPM tasks by combining the strengths of clustering, contrastive learning, and transformer embeddings. By demonstrating the practical applications of these methods in a real-world shared task, we hope to inspire further research into integrating clustering techniques and contrastive loss functions for other complex NLP tasks such as argumentation mining, fact-checking, and summarization.

8 Future Work

While the MTS model presents a significant advancement in the field of AKPM, there are numerous directions for future work that could further improve the model's performance, adaptability, and efficiency. One potential area for improvement is the expansion of clustering methods. While our current approach clusters based on key points, a more sophisticated clustering mechanism that integrates both semantic similarity and context-based factors could better capture nuanced argument-key point relationships. Furthermore, experimenting with hierarchical clustering techniques could allow the model to capture multi-level dependencies, enriching its representation of argument structures.

Another promising direction is the exploration of alternative loss functions. While contrastive learning has proven effective for this task, alternative loss functions, such as those based on multi-similarity or triplet loss, could be adapted to improve performance in more challenging cases where arguments and key points are context-dependent or less directly aligned. We also intend to experiment with dynamic loss weighting mechanisms that can account for varying difficulty levels across different training samples, which might further enhance the learning process.

The current framework also relies heavily on stance-related information embedded within the model. However, future work could investigate the use of an

attention-based mechanism that dynamically identifies and weighs the stance of arguments relative to key points. This would allow the model to more accurately infer relationships in cases where stance is ambiguous or implicit. Additionally, research into unsupervised or semi-supervised learning techniques could reduce the dependence on large labeled datasets, enabling the model to generalize to new domains with less human intervention. Semi-supervised approaches, such as using self-training or graph-based methods, could leverage large amounts of unlabeled data to further improve the model's performance.

Expanding the model's applicability to multilingual datasets is another key area for growth. Although our work is based on English-language data, applying MTS to multilingual scenarios would be valuable. This could involve using multilingual embeddings or fine-tuning the model with specific linguistic features from multiple languages. Furthermore, scaling the model to handle larger datasets, particularly in real-time applications, will require exploration into more efficient architectures, including lightweight transformer variants like DistilBERT or TinyBERT, or pruning techniques that retain performance while reducing computational overhead.

Lastly, exploring the domain adaptation capabilities of MTS would help in its application to diverse fields, such as legal document analysis, political discourse, or scientific literature, where argumentation structures may differ significantly from the standard datasets used here. Techniques such as domain adversarial training or transfer learning could allow MTS to learn from diverse sources, improving its robustness across different domains and tasks.

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Transforming Markets with Automated Liquidity

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Transforming Markets with Automated Liquidity

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Abstract*—In a world characterized by constant innovation and digitalization, the financial markets are undergoing a profound metamorphosis. This paradigm shift is being orchestrated by the integration of cutting-edge technology, specifically automated liquidity provision, into the heart of market dynamics. This seismic shift promises to redefine market dynamics, ushering in an era where algorithms, not humans, act as the primary market makers. This paper delves into the transformative potential of ALP, examining its impact on liquidity, price efficiency, and market resilience. This transformation promises enhanced market efficiency, reduced spreads, increased trading volumes, and heightened accessibility for market participants, ultimately fostering a more inclusive and dynamic financial ecosystem. As I navigate this brave new world, it is evident that automated liquidity provision is not just a trend; it is the catalyst for a financial revolution that will reshape the future of markets.

I. Introduction

Market makers create liquidity in a market by quoting bids and asking prices for a trading asset near the market price. Market makers profit by quoting asks at a premium and bids at a discount to the market price. This premium or discount is referred to as the market maker *spread*. Market makers realize the spread each time an order is matched at their quoted price. The *arrival rate* of orders is lower for market makers that charge high spreads, and both spread and arrival rates must be balanced for a market maker to maximize profit. The market maker must also manage the *inventory* of cash and assets available to fulfill market demand, as well as the opportunity cost of taking a net long position in inventory. In all, the market maker must consider:

- The spread charged
- The arrival rate of orders
- Available inventory of cash and asset
- Opportunity cost of holding inventory

While profitable market making is a complex and multi-dimensional problem, it has also been extensively studied in the literature, particularly in two seminal papers. Ho & Stoll studied the problem of dealing under competition and found that the bid and ask quotes are related to the reservation, or indifference, price of the dealer [1]. Then Avellaneda & Stoikov proposed a model combining the utility formulation of Ho & Stoll with statistical modeling of the microstructure of a limit order market and solved optimal market pricing under this model [2]. The solution of Avellaneda & Stoikov is notable because it demonstrates a stochastic optimal control policy under a reasonable stochastic model for order arrivals [3]. Subsequent work by Guéant, Lehalle, & Tapia extended this solution to consider management of a finite inventory of cash and asset [4]. In Section II, I review the state-of-the-art algorithms for market-making to provide context for my algorithm.

In the first paragraph of their seminal 2008 paper, Avellaneda & Stoikov noted market making:

> Traditionally, this role has been filled by market makers or specialist firms. In recent years, however, with the growth of electronic exchanges such as Nasdaq's Inet, anyone willing to submit limit orders in the system can effectively play the role of a dealer. Indeed, the availability of high-frequency data on the limit order book (see www.inetats.com) ensures a fair playing field where various agents can post limit orders at the prices they choose.

While in principle, anyone may play the role of market maker in a market, various limitations prevent this in practice. US securities law limits who may make the market based on accreditation rules, brokerage licensing requirements, and other considerations. In commodities markets, including cryptocurrency spot markets, the high technical complexity of market making 24/7, as well as fee discounts offered to incumbents, create competitive barriers to entry for retail participants. While the barriers to entry for automated market making remain high, automation technology has made other active strategies such as market-weighted rebalancing and tax-loss harvesting widely available to retail customers in products such as Wealthfront and Betterment [5], [6].

In using automation to provide retail access to active strategies, particular attention must be paid to both *algorithm design* and *interface design*. Making investment decisions is obviously complex. Monti, Martignon, Gigerenzer, & Berg studied high-stakes financial decisions made by bank customers. He found that investors cling to the information available to them, ignoring more complex variables that are often assumed in economic models [7]. To prevent the end user from adversely selecting a non-competitive policy configuration, I focus on making the policy configuration human-readable and educating investors on the underlying dynamics of their decisions. My objective is to devise an automated strategy for continuous market-making that considers the traditional utility objectives of market-making, as well as the usability objectives of broadly offering market-making to retail users for the first time. In total, the considerations include:

- The spread charged
- The arrival rate of orders
- Available inventory of cash and asset
- Opportunity cost of holding inventory

- Practical deployment across user accounts
- Intuitive policy configuration

In Section II, I review the state-of-the-art algorithms for optimal market making. In Section III, I propose an algorithm that reflects the structure of optimal market making while simplifying parameterization of the algorithm to promote optimal policy configuration. In Section IV, I demonstrate the performance of this algorithm in simulation.

II. Optimal Market Making

In this section, I re-summarize the model of Avellaneda & Stoikov based on the notation and summary of Guéant, Lehalle, & Tapia. I refer to this model herein as the *standard model*.

In the standard model, the market price, which may be the market mid-price or a reference quote, moves as arithmetic Brownian motion:

$$dS_t = \sigma dW_t \tag{1}$$

Guéant, Lehalle, & Tapia note in a footnote that Equation 1 is almost equivalent to the standard Black-Scholes model on a short time horizon, i.e., in a narrow time window, the price is exclusively affected by random, drift-free arrival of the arrival of order matches on the limit order market. The market-making agent continuously quotes bid and ask prices, S_t^b and S_t^a respectively, and will therefore buy and sell shares of the asset based on the random arrival of orders matched at the quoted prices. In the standard model, the agent holds accumulative inventory q_t given by:

$$q_t = N_t^b - N_t^a \tag{2}$$

where N_t^b and N_t^a are the point processes representing the number of assets bought or sold, respectively, as order matches arrive at the quoted prices. The standard model assumes that the intensity of arrival of order matches decreases monotonically in the spread offered on the quoted price. Assuming a bid spread of $\delta_t^b = S_t - S_t^b$ and an ask spread of $\delta_t^a = S_t^a - S_t$, the intensity of arrivals for bids and asks, λ^b and λ^a respectively, are given by:

$$\lambda^b = A\exp^{-k\delta_t^b}, \quad \lambda^a = A\exp^{-k\delta_t^a} \tag{3}$$

where A and k are positive constants characterizing the liquidity of the asset. Modeling the arrival of order matches leads the agent's net cash holdings to be characterized as:

$$dX_t = (S_t + \delta_t^a)dN_t^a - (S_t - \delta_t^a)dN_t^b \tag{4}$$

A notable contribution of Guéant, Lehalle, & Tapia is the introduction of an inventory bound Q. The inventory held by the agent, q_t, which is signed in the standard model, is bounded in the interval $|q_t| < Q$. Put differently, the agent may never hold more than Q asset, and the agent may never go net short Q. While this constraint imposes a realistic risk limit, it does not lead immediately to a risk-based *inventory policy*. For example, the standard model does not model the agent's starting inventory. I address these practical limitations in Section III.

The standard model culminates in the proposal of a utility function, which is maximized by the optimal control policy $(\delta_t^b, \delta_t^a)_t$. The utility function and control policy are given by:

$$\max_{(\delta_t^b,\delta_t^a)_t \in \mathcal{A}} \mathbb{E}[-\exp(-\gamma(X_T + q_T S_T))] \tag{5}$$

where T is the terminal time, $\mathcal{A}$ is the set of predictable policies and γ is the agent's risk aversion coefficient. Note that $X_T + q_T S_T$ is the value of the portfolio at time T, which is directly proportional to agent P&L, and that $f(x) = \exp(-\gamma x)$ is monotonic in x. As a result, the stochastic optimal control objective can be seen as related to maximizing agent P&L.

The canonical solution to this problem, provided by Avellaneda & Stoikov, is given by the following quoting policy:

$$r_t(s) = s - q\gamma\sigma^2(T-t) \tag{6}$$

$$\delta_t^a + \delta_t^b = \gamma\sigma^2(T-t) + \frac{2}{\gamma}(1 + \frac{\gamma}{k}) \tag{7}$$

Here, $r_t(s)$ is the reservation price of the agent, and $\delta_t^a + \delta_t^b$ is the spread. I can make several intuitive observations about the optimal policy. The reservation price is the market reference price, adjusted by a give of $q\gamma\sigma^2(T-t)$. I refer to this as a give because it manifests as a discount to the ask quote when the agent is overweight and a premium to the bid quote when the agent is overweight, both of which give an advantage to the taker relative to the reference price s. The give is linear in inventory q, proportional to volatility σ^2, and straight lines to zero as the trading interval elapses. The spread $\delta_t^a + \delta_t^b$ follows a similar formula but does not rely on inventory and straight lines to the constant $\frac{2}{\gamma}(1 + \frac{\gamma}{k})$ as the trading interval elapses.

In summary, the optimal control policy charges a spread independent of inventory against a price adjusted to manage inventory. In the next section I simplify the structure of these equations to arrive at a policy in terms of spread and give.

III. Retail Market Making

In this section, I propose a policy for market making that reflects the dynamics of the policies discussed in Section II, but that is also formulated to be easily configured by a casual user in terms of two parameters: *spread* and *give*. Designing simple-to-use configuration interfaces for automated strategies mitigates adverse selection risk. It maintains efficient market operation in a market where potentially most agents operate identical policies (up to configuration).

Our policy replaces the spread Equation 7 with a user specified percentage spread Δ, resulting in the overall spread:

$$\delta_t^a + \delta_t^b = 2\Delta s \tag{8}$$

We believe a user's selection of Δ encapsulates their thinking about arrival rate k and risk coefficient γ without requiring education on either auxiliary variable. For example, a user will choose a lower spread to encourage faster order arrivals. The

spread is clearly no longer a linear form or even a function of volatility σ. I believe this is justified because their selection of spread also captures the user thesis on market volatility since overwide spreads will not experience order arrivals. By wholely substituting spread with a user-specified quantity, my algorithm does not impose an automatic policy for spreads but rather requires the user to configure spread *as policy*. I believe this decision is justified since any marginal decision to expand the complexity of Equation 8 introduces advanced market concepts to the interface while eroding understanding of what net spread the agent charges the market for its services.

Recall the formulation of reservation price from Section II, $r_t(s) = s - q\gamma\sigma^2(T-t)$. By performing the change of variables $q \mapsto q/Q = q'$, I arrive at the alternative formulation:

$$r_t(s) = s - q'Q\gamma\sigma^2(T-t) = s - q'G' \tag{9}$$

We recall the inventory risk constraint $|q| < Q$ and note that if the agent enforced it, then $|q'| < 1$ achieving the limits $q = -1$ when the agent is totally underweight the asset and $q = 1$ when the agent is totally overweight the asset. Therefore G' may be interpreted as the maximum give-on price the agent will provide to rebalance inventory. Performing the additional change of variables $G' \mapsto G'/s = G$, the equation can be written as:

$$r_t(s) = s - q'Gs = s(1 - q'G) \tag{10}$$

Here, G is the maximum given as a percentage of asset price. This modification normalizes the specification of give for any market price. I believe the most intuitive experience for the user is to specify the give outright since the give is a percentage-like spread, characterizes the loss in profit offered to rebalance explicitly, and encapsulates user thinking on volatility and risk.

The quoted pricing in my policy is then given as follows:

$$s_t^b = s_t(1 - q_t'G - \Delta) \tag{11}$$

$$s_t^a = s_t(1 - q_t'G + \Delta) \tag{12}$$

$$q_t' = \frac{s_t q_t - x_t}{s_t q_t + x_t} \tag{13}$$

This policy quotes a spread that is constant in inventory and a reservation price that is linear in inventory, which I believe to be the most important dynamics of the linear stochastic control policy. However, the simplification of the policy configurations as (Δ, G) reduces the risk of adverse selection of noncompetitive policy configurations.

While the policy reflects inverse linear control of reservation price like the optimal policy, I do not claim that the modified policy is optimal in any sense. I believe that it provides only an engineered compromise between optimal policy, ease of configuration, and practical considerations such as finite, non-negative inventory.

IV. Experiments

There have been numerous recent numerical reproductions of the results of Avellaneda & Stoikov [8] as well as commercial deployments of the algorithm. In this Section, I simulate my algorithm for a single parameterization of market dynamics across hundreds of simulations. This is not intended to serve as an exhaustive numerical study of the algorithm but rather as a pathfinder for further experimentation and optimization. The source code has been made public at https://github.com/chriscslaughter/amm.

We modeled market dynamics for $M = 4000$ time steps across $N = 100$ simulations. I modeled the agent's holdings as starting at \$4,000 in cash and \$4,000 in shares, each priced at \$100 / share. The market evolved according to Brownian dynamics using $\sigma = 0.05$, or 5 cents average deviation per time stamp. I modeled $A = 0.5$ and $k = 1.5$.

We configured my agent to trade with spread $\Delta = 0.1$ and give $G = 0.5$. The agent achieved an average ROI of 4%, with almost every agent achieving an ROI of some kind. Figure 1 breaks down the simulations in detail. I found that the agent produced a profit consistently in a variety of market conditions while maintaining sufficient inventory for exposure to matches on both market sides.

V. Conclusion

In this paper, I review the state-of-the-art algorithms for optimal market-making in a limit-order market. Then, I propose a simplified algorithm that balances the mathematical structure of optimal market-making while providing a streamlined parameterization for users. I demonstrate the algorithm's performance in simulation.

In future work, I can open source the deployment infrastructure for my retail automated market-making strategies at Level. I can also more extensively explore the algorithm's configuration space in a wider variety of simulations. Various additional considerations, such as competitive dynamics, multi-agent simulation, and market impact, may be taken into account.

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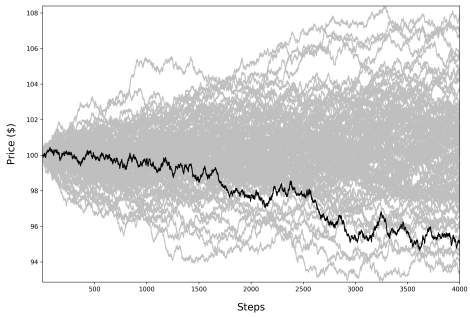
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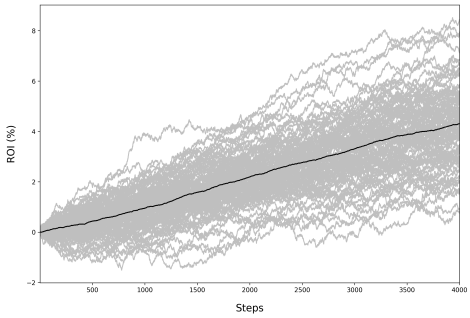
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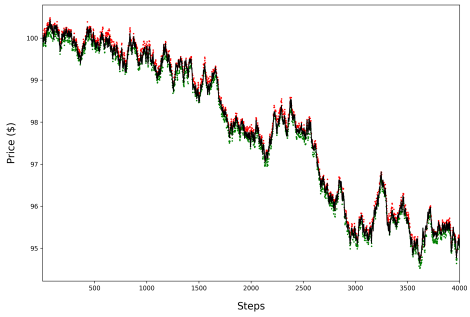
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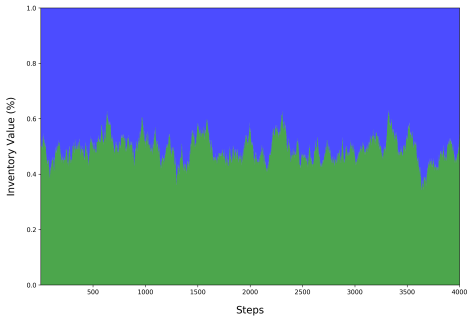
(a) Market Price



(b) Return on Investment (ROI)



(c) Orders Matched



(d) Inventory Management

Fig. 1: Experimental results of numerical simulation for the algorithm proposed in Section III. The algorithm was simulated for a broad range of market evolutions (a), while the algorithm achieved an ROI on average (b). Quotes offered by the agent received consistent bid and ask action (c), while the agent's give policy maintained inventory balance over time (d).

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Advancing Classification Algorithm Selection with Ensemble Meta-Learning: A Data-Driven Approach

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***Abstract*—Selecting the optimal classification algorithm for diverse datasets remains a significant challenge in data mining. This study introduces a robust Ensemble Meta-Learning (EML) framework that automates the selection process by leveraging the diversity of meta-features. Our approach dynamically adjusts the number of recommended algorithms based on dataset characteristics, demonstrating substantial improvement over traditional methods. Through empirical evaluations on 183 datasets and 20 classification algorithms, EML outperforms established single-link and ML-KNN-based methods in terms of recommendation accuracy and offers more precise algorithm selection. This paper underscores the potential of ensemble meta-learning in enhancing algorithmic recommendations, paving the way for future innovations in meta-learning applications.**

I. Introduction

Data mining extensively addresses classification, a pivotal task. A multitude of classification algorithms exists, encompassing tree based (e.g., ID3[1], C4.5[2], and CART[3]), probability-based (e.g., Naive Bayes[4] and AODE[5]), and rule-based (e.g., OneR[6] and Ripper[7]) methods.

Nonetheless, the "No Free Lunch" theory[8] and empirical evidence[9], [10] assert the absence of a universally effective algorithm for all classification problems. Hence, the challenge lies in selecting suitable algorithms, particularly for non-experts.

Research indicates algorithm performance correlates closely with dataset characteristics[11]. Thus, addressing this challenge involves exploring dataset characteristics' relationship with algorithm performance to recommend appropriate algorithms. This field, termed algorithm recommendation, garners significant attention[12], [13], [14], [15], [16], [17], [18], [19], [20], [21], [22].

The process of suggesting algorithms is frequently conceptualized as a meta-learning endeavor [12], [23], [24], [18], [19], [25], [20]. Meta-features represent dataset attribiutes, and the meta-target denotes candidate algorithm performance relative to the given set of data.

Formally, the process of recommending a classification algorithm entails identifying a function $f : \mathcal{X} \mapsto \mathcal{Y}$, where $\mathcal{X} = \mathbb{R}^p$ (meta-feature space with p meta-features) and $\mathcal{Y} = y_1, y_2, ..., y_q$ (meta-target space with q candidate algorithms). It aims to recommend appropriate algorithms $Y_{new} \subseteq \mathcal{Y}$ for a new dataset d_{new} based on $f(x_{new})$, where $x_{new} \in \mathcal{X}$ represents d_{new}'s meta-features.

Three common meta-target representations exist: single-label-based, ranking-based, and multi-label-based. Single-label methods recommend a single algorithm[9], [23], [26], [21]. Ranking-based methods suggest a ranked list[10], [25]. Multi-label methods identify all algorithms statistically equivalent to the best[30].

This paper proposes a two-layer learning method to address challenges like variability in recommended algorithms and scalability, *EML*. It is an ensemble of *ML-KNN*, based on stacking[33]. *EML* offers several advantages:

(1) Combining *ML-KNN* enhances recommendation performance.
(2) It leverages complementarity and diversity among meta-features.
(3) It dynamically recommends an appropriate number of algorithms, removing the need for pre-specification.

The paper is structured as follows: Section II outlines related work. Section III details the proposed *EML* method. Section IV presents empirical findings. Section **??** discusses validity threats. Finally, Section **??** concludes.

II. Related Work

This paper addresses the classification algorithm recommendation challenge, particularly focusing on ensemble learning. Related works primarily fall within the realm of classification algorithm recommendation.

A. Classification Algorithm Recommendation

Researchers have approached the classification algorithm recommendation problem through various perspectives, often analyzing dataset characteristics' relationship with algorithm

performance experimentally. Methods can be broadly categorized into theoretical and experimental approaches.

Brodley[34] proposed a heuristic method to automatically identify the best classification algorithm by theoretically assessing their applicability. However, such theoretical approaches demand substantial domain expertise and may not cover all algorithm applicability scenarios, rendering them impractical.

To address the limitations of theoretical approaches, most methods adopt experimental strategies based on meta-learning. These approaches involve analyzing interactions between dataset characteristics and algorithm performance through scientific experiments[9], [15], [23], [20], [25], [35]. Variations among these methods lie in dataset characteristics (meta-features), representation of appropriate algorithms (meta-target), and recommendation models.

Meta-features typically fall into five categories: statistical and information-theory based[25], [36], [37], [21], [38], model structure based[39], [40], landmarking based[41], [42], [28], [29], problem complexity based[43], [44], [45], and structural information based[11], [16].

Meta-target expressions vary, including single label[11], [21], multi-label[30], [38], continuous variable[28], [27], [29], and ranking[25], [46].

Recommendation models employ three main techniques:

1) Classification: For single-algorithm selection, single-label classification methods are common[9], [47], [48]. For multi-algorithm recommendation, multi-label classification methods are favored[26], [30], [38], [32].
2) Regression: When users seek performance insights, regression methods predict continuous values[27], [28].
3) Ranking: For relative algorithm performance, ranking techniques generate ordered lists[10], [25].

This paper aligns with multi-label learning approaches[30], yet distinguishes itself by harnessing ensemble techniques featuring two-tiered learners to enhance recommendation effectiveness.

III. Our proposal: *EML* Methodology

This section introduces the *EML* method, an ensemble learning approach for classification algorithm recommendation. It begins with an overview of the method, followed by a discussion on the rationale and feasibility of utilizing ensemble learning in recommendation tasks. Subsequently, I delve into the detailed process of constructing the *EML* model. To aid clarity and understanding, I present relevant notations in Table I.

A. General point of view

EML approach's methodology is being depicted by Figure 1. It encompasses three key stages: extraction of meta-data, establishment of Tier-1 and Tier-2 models, and recommendation through ensemble learning.

Initially, a diverse array of meta-features is harvested from a collection of past classification tasks; as each potential classification algorithm is applied to these tasks, meta-targets are identified. These meta-features and targets are then amalgamated into various sets of multi-label meta-data.

Subsequently, individual Tier-1 models are crafted based on each meta-dataset, with their outcomes forming the Tier-2 training datasets. A binary classification model is subsequently crafted using these Tier-2 datasets to recommend suitable algorithms. When confronted with a new classification task, fresh meta-features are collected and Tier-2 data is generated using the Tier-1 model. This data is then subjected to the pre-established binary classification model to identify appropriate algorithms for the new task.

The justification and viability of constructing such an algorithm recommendation model via ensemble learning will be elaborated upon in the subsequent discussion.

B. Rationality and Feasibility

Ensemble learning often outperforms individual learners by addressing two common challenges: the statistical and representational problems[49]. These challenges also arise in constructing recommendation models using single learners.

The statistical problem emerges when the search space is extensive, making it difficult to find the true function ϕ. With a limited dataset, employing numerous meta-features can exacerbate this issue, increasing the likelihood of a single learner failing to find the true function ϕ. Ensemble learning mitigates this by enhancing generality.

Additionally, the effectiveness of a classification algorithm on a given problem is influenced by various factors, or meta-features, each playing a unique role[30]. Single learners may struggle to handle this complexity due to limited representational capacity. Ensemble learning overcomes this by combining diverse single learners, thus alleviating the representational problem.

Based on ensemble learning research[49], [50], I present Corollary 1 guiding the construction of an accurate ensemble learning model. This highlights the importance of developing accurate and diverse base recommendation models. In this study, I propose to construct various base learners based on different combinations of meta-features as Tier-1 models.

TABLE I
LIST OF NOTATIONS

Symbol	Notation
$\mathcal{P}$	the set of n historical classification problems $\mathcal{P} = \{p_i \vert i = 1, 2, ..., n\}$
p_{new}	the new classification problem
$\mathcal{A}$	the set of k candidate classification algorithms $\mathcal{A} = \{a_j \vert j = 1, 2, ..., k\}$
F	the set of q meta-feature extraction functions $\{F_1, F_2, ..., F_q\}$
$X_i^{'}$	the meta-feature combinations $X_i^{'} = \{X_{i1}, X_{i2}, ..., X_{it}\}$
X_i	the set of meta-features of the problem p_i, $X_i = \{X_i^j \vert 1 \leq j \leq q\}$
X_i^j	the meta-features of p_i extracted by F_j
Y_i	the meta target of the problem p_i, $Y_i = \{Y_{i,j} \vert 1 \leq j \leq k \wedge Y_{i,j} \in \{0, 1\}\}$
D_t	the multi-label meta data whose features are extracted by tth combination of functions in F $D_t = \{(X_{it}, Y_i) \vert i = 1, 2, ..., n\}$
D	the set fo meta data extracted from the historical problems $\mathcal{P}$, $D = \{D_t \vert 1 \leq t \leq 2^q - 1\}$
ϕ	the algorithm recommendation model
$nchoosek(Z)$	the function to get all combinations of elements in Z
L	the set of Tier-1 learners, $L = \{L_t \vert 1 \leq t \leq 2^q - 1\}$
$L^{'}$	the set of selected trained Tier-1 learners used in recommending algorithms for the new problem
Out	the set of Tier-1 base models' output datasets, $Out = \{Out_t \vert 1 \leq t \leq 2^q - 1\}$
Out_t	the output of corresponding model L_t, $Out_t = \{(v_{i,1}, v_{i,2}, ..., v_{i,k}) \vert 1 \leq i \leq n\}$ where $v_{i,k}$ is the confidence of k_{th} label of i_{th} meta instance predicted by L_t
D^2	the set of Tier-2 training datasets, $D^2 = \{D_j^2 \vert 1 \leq j \leq k\}$
D_j^2	Tier-2 training dataset transformed from Tier-1 models' output, $D_j^2 = \{(v_{i,1}, v_{i,2}, ..., v_{i,t}, label(i, j)) \vert 1 \leq i \leq n \wedge t = 2^q - 1 \wedge label(i, j) \in \{0, 1\}\}$ where $v_{i,t}$ is the confidence of j_{th} label of i_{th} meta instance predicted by L_t
M^2	the Tier-2 classification model, $M^2 = \{M_j^2 \vert 1 \leq j \leq k\}$
M_j^2	Tier-2 binary classification model constructed based on D_j^2

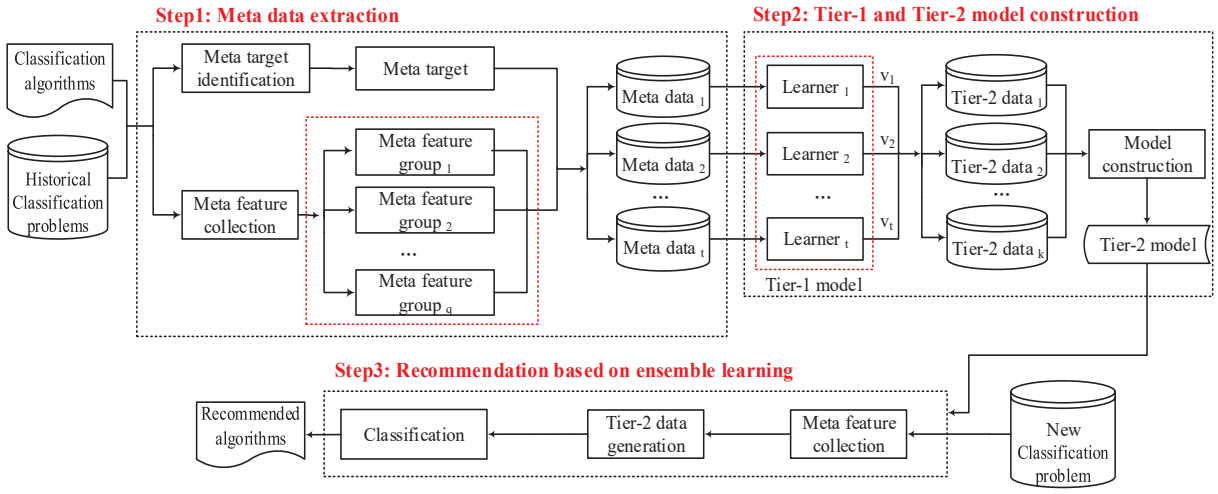


Fig. 1. Framework of the *EML* method

Utilizing the stacking framework, where the output of Tier-1 models serves as input for the Tier-2 model, I aim to build a two-layer recommendation model. Considering Corollary 1, this approach demonstrates feasibility from various perspectives.

1) Diverse base model construction

In the domain of algorithm recommendation[30], various types of meta-features have been explored. The extraction of meta-features involves analyzing classification problems from diverse perspectives. Figure 2 presents the correlation coefficients among five different sets of features derived from 183 benchmark classification problems (refer to the Appendix for detailed information). These feature groups include: 1) statistical and information-theory-based characteristics, 2) features based on model structure, 3) landmarking-derived features, 4) features related to problem complexity, and 5) structural information-based features.

From Figure 2, it is evident that the correlation among

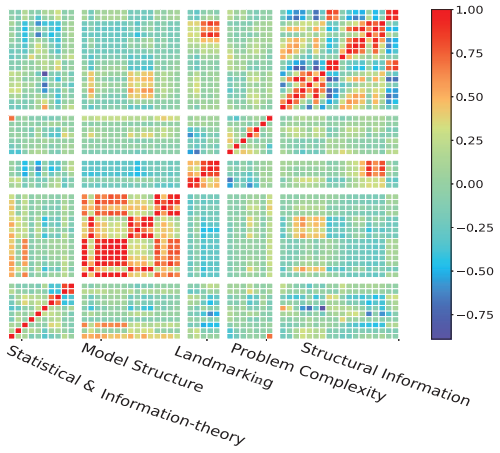


Fig. 2. Pearson's Linear Correlation Coefficients among Five Different Kinds of Meta features over 183 Classification Problems

different meta features is lower.Based on empirical evidence, it appears that various kinds of meta-features demonstrate independence from one another. Moreover, this independence implies that recommendation models constructed using these varied meta-features are expected to exhibit independence and diversity in their characteristics.

One way of the ensemble is to apply the same models to different training data, while another is to apply different models to the same training data. In this paper, the former is adopted. To guarantee the diversity of Tier-1 learners, all combinations of different kinds of meta-features are used to generate different Tier-1 training data, which also utilizes the complementary and diversity of meta-features. I use the attribute selection method on Tier-2 training data to further delete the redundant attributes (Tier-1 learners' output), equivalent to deleting corresponding Tier-1 learners, to promote base models' diversity.

2) Accurate base model construction

Several recommendation models have been developed based on various types of meta-features and employing a single learning approach[9], [47], [48], [26], [38], [30], [32]. To construct accurate base models, I can apply one of these recommendation models, which has good accuracy and great generalization, as the base model of the ensemble on different training data. Furthermore, I deal with the recommendation problem as a multi-label problem, so *ML-KNN* based recommendation model[30] would be a good choice for its speed and accuracy.

As discussed in a former item, the attribute selection method employed on Tier-2 training data will choose attributes highly related to labels. This means that Tier-1 learners whose performance is better will be selected for recommendation.

The description above demonstrates the possibility of creating a collection of precise base recommendation models within the ensemble.

C. Meta data extraction

It involves two main approaches: meta target identification and meta feature collection.

For meta-target identification, a statistical test method is utilized to determine appropriate algorithms for a specific evaluation metric on a given problem $p_i \in \mathcal{P}$. This approach identifies algorithms that exhibit no significant deviation from the top-performing one based on a specified metric forming the multi-label-based meta-target Y_i.

Meta-feature collection entails applying all q data characterization methods in F to historical classification problems, resulting in q meta-feature groups. These diverse meta-features capture the characteristics of a classification problem from various perspectives. This paper aims to construct base recommendation learners based on different combinations of these meta-features, effectively leveraging their complementarity.

Algorithm 1. Meta data extraction

Require:
$\mathcal{P}$: the historical classification problems, $\{p_i|i = 1, 2, ..., n\}$
$\mathcal{A}$: the candidate classification algorithms, $\{a_j|j = 1, 2, ..., k\}$
F: the set of meta feature extraction functions, $\{F_1, F_2, ..., F_q\}$
Ensure:
$\{D_1, D_2, ..., D_{2^q-1}\}$: the extracted meta datasets
$D_1, D_2, ..., D_{2^q-1} = Null$;
for each $p_i \in \mathcal{P}$ **do**
  Y_i = targetIndentify(p_i, $\mathcal{A}$);
  for each data characterization method $F_j \in F$ **do**
    X_i^j = featureCollect(p_i, F_j);
    $X_i = X_i \cup X_i^j$;
  end for //Therer are q kinds of meta features
  $X_i^{'} = \{X_{i,t}|1 \le t \le 2^q - 1\} = nchoosek(\{X_i\})$;
  //There are $t = 2^q - 1$ kinds of meta feature combinations
  for each $X_{i,t} \in X_i^{'}$ **do**
    $inst = (X_{i,t}, Y_i)$;
    $D_t = D_t \cup inst$;
  end for
end for
return $\{D_1, D_2, ..., D_{2^q-1}\}$;

Procedure 1 outlines the metadata extraction process. Given classification problems $\mathcal{P}$, candidate classification algorithms $\mathcal{A}$, and feature extraction functions F, the procedure generates multiple meta-datasets $D_1, D_2, ..., D_{2^q-1}$.

Initially, meta datasets are initialized. For each historical classification problem $p_i \in \mathcal{P}$, its meta-target Y_i is identified, and its meta-features X_i are collected.

All combinations of meta-features in X_i are then generated using the $nchoosek()$ function, resulting in $2^q - 1$ distinct sets of metadata. Each combination is associated with a

corresponding instance $inst$, where its attributes are based on the meta-features and its label is Y_i.

Finally, the procedure returns the meta datasets $D_1, D_2, ..., D_{2^q-1}$.

The choice of the $nchoosek()$ function enables the creation of diverse sets of metadata, facilitating the exploration of different combinations of meta-features and their impact on algorithm recommendation. After metadata extraction, the historical classification problems $\mathcal{P}$ are transformed into meta datasets $D_1, D_2, ..., D_{2^q-1}$.

D. Tier-1 and Tier-2 model construction

This subsection depicts the Tier-1 and Tier-2 model construction process based on meta datasets extracted in the above section III-C.

For convenience to describe, $L = \{L_t | 1 \leq t \leq 2^q - 1\}$ represents Tier-1 learners built on each meta dataset D_t. $Out = \{Out_t | 1 \leq t \leq 2^q - 1\}$ is the set of Tier-1 output datasets, where Out_t is produced by L_t. $D^2 = \{D_j^2 | 1 \leq j \leq k\}$ represents the set of Tier-2 training datasets which are transformed from Tier-1 output. And D_j^2 will be used to construct a Tier-2 model M_j^2 to judge whether algorithm a_j is appropriate for the new classification problem.

The pseudo-code of Tier-1 and Tier-2 model construction is given in the procedure 2. First, the Tier-1 base learners are built over the meta datasets $\{D_t | 1 \leq t \leq 2^q - 1\}$ in lines from 3 to 5, where meta instances corresponding to the same historical classification problem p_i have different attributes(meta features) but same labels(meta target). As can be seen in framework 1, Tier-1 learner construction is identical and simple. Each L_t is trained based on each corresponding meta dataset D_t by *ML-KNN*. After model construction, each instance is predicted by each corresponding Tier-1 learner in lines from 6 to 11; that is, each instance of D_t is not only used to build base model L_t, but also predicted by L_t to generate Out_t. Then the prediction output datasets $\{Out_1, Out_2, ..., Out_{2^q-1}\}$ of Tier-1 model are transformed to Tier-2 training datasets $\{D_1^2, D_2^2, ..., D_k^2\}$ in lines from 13 to 15 as shown in Figure 3. Each instance of D_j^2 is labeled in lines from 16 to 18. After Tier-2 training data is generated, each Tier-2 dataset D_j^2 is first selected useful features in line 19 and then applied to construct a Tier-2 model M_j^2 in line 20. Finally, Tier-1 selected trained learners $L^{'} = \{L_t^{'} | 1 \leq t \leq m\}$ and Tier-2 binary classification model $M^2 = \{M_j^2 | 1 \leq j \leq k\}$ is returned to recommend algorithm(s) for a new classification problem.

Algorithm 2. Tier-1 and Tier-2 model construction

Require:
D: the set fo meta datasets, $D = \{D_t | 1 \leq t \leq 2^q - 1\}$
$MLkNN$: the multi-label classification algorithm *ML-KNN*
L: the set of untrained Tier-1 learners, $L = \{L_t | 1 \leq t \leq 2^q - 1\}$
Ensure:
$L^{'}$: the set of selected trained Tier-1 learners, $L^{'} = \{L_t^{'} | 1 \leq t \leq m\}$
M^2: the Tier-2 classification model, $M^2 = \{M_j^2 | 1 \leq j \leq k\}$
1: $Out = \{Out_1, Out_2, ..., Out_{2^q-1}\} = Null$;
2: $D^2 = \{D_1^2, D_2^2, ..., D_k^2\} = Null$;
3: **for** each $L_t \in L$ **do**
4: $L_t = MLkNN.build(D_t)$; //Tier-1 learner construction
5: **end for**
6: **for** each $D_t \in D$ **do**
7: **for** each $inst_i \in D_t$ **do**
8: $\{v(i,1), v(i,2), ..., v(i,k)\} = L_t.predict(inst_i)$;
9: $Out_t = Out_t \cup \{v(i,1), v(i,2), ..., v(i,k)\}$;
10: **end for**
11: **end for**
12: $D^2 = transform(Out)$;
13: **for** each instance $D_j^2 \in D^2$ **do**
14: **for** each instance $inst_i \in D_j^2$ **do**
15: $inst_i.label(i,j) = Y_{i,j}$;
16: **end for**
17: **end for**
18: **for** each $D_j^2 \in D^2$ **do**
19: $D_j^{2'} = featureSelect(D_j^2)$;
20: **for** each $attribute_t \in D_j^{2'}$ **do**
21: **if** $attribute_t$ is selected **then**
22: $L^{'} = L^{'} \cup L_t$
23: **end if**
24: **end for**
25: $M_j^2.build(D_j^{2'})$; //Tier-2 model construction
26: **end for**
27: return $L^{'}$ and M^2;

It's noted that, before constructing a binary classification model, I conduct attribute selection to D_j^2 for the following three reasons:

- It will remove redundant and irrelevant attributes that may lead to the loss of the binary classification performance. Because each attribute is produced by each Tier-1 learner, removing redundant and irrelevant attributes is equivalent to selecting diverse and accurate Tier-1 learners to achieve better ensemble learning.
- It will help us to find which combination of meta-features is more useful since different meta datasets only have different attributes but have the same labels.
- With fewer attributes, fewer Tier-1 learners will be utilized to generate the Tier-2 attributes for a new classification problem and thus reduce the consuming time in the recommendation procedure.

In the *EML* algorithm, CFS[53] attribute selection method with the BestFirst[54] search strategy are employed.

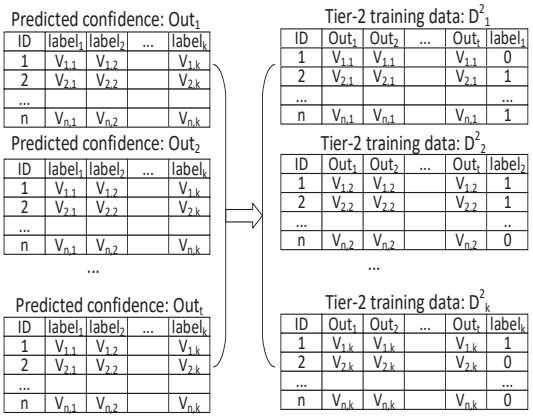


Fig. 3. Tier-2 training data generation based on Tier-1 models' output

Figure 3 displays the transformation from Tier-1 output Out to Tier-2 input D^2. In this figure, ID number represents each meta instance corresponding to each classification problem p_i and $label_k$ is the k_{th} label of metadata corresponding to each classification algorithm a_k. $v_{i,k}$ is the confidence of $label_k$ in the i_{th} instance, which is predicted by corresponding Tier-1 learner.

Each table in the left part of Figure 3 represents the output Out_t of each Tier-1 learner L_t, and each table in the right part represents the Tier-2 training dataset D_j^2 for each label $label_j$. $v_(i,j) \in Out_t$ is the confidence of $label_j$ of the i_{th} instance predicted by L_t, which will be transformed as $v_(i,t) \in D_j^2$. In other words, all the j_{th} columns of $Out_t \in Out$ are incorporated together as attributes of D_j^2. In addition, $label_{i,j}$ of D_j^2 is meta target $Y_{i,j} \in Y_i$ and $label_{i,j}$ = 1 or 0 indicates the algorithm a_j is appropriate or inappropriate on p_i.

The reason why I generate Tier-2 training dataset D_j^2 for each algorithm a_j respectively, instead of combining them into a whole, is shown in Figure 4.

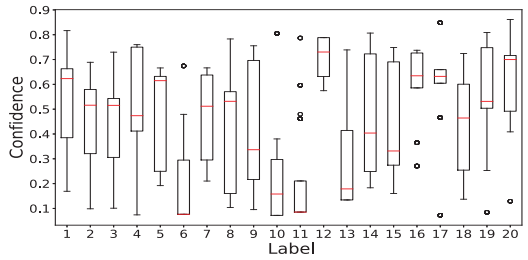


Fig. 4. Confidence comparison between different labels

Figure 4 compares the confidence values across different labels using the same metadata, with attributes combining various meta-features. The X-axis represents 20 labels, while the Y-axis shows the confidence value range. Each boxplot illustrates the confidence distribution for a label generated by *ML-KNN*. Notably, confidence values vary across labels, underscoring the need for individual label prediction. Additionally, each binary model in *EML* is built using C4.5 + AdaBoost.

E. Recommendation based on ensemble learning

In this section, I employ ensemble learning to recommend suitable algorithms for a novel classification problem.

By leveraging the ensemble learning approach discussed earlier, I create trained Tier-1 learners $L^{'}$ and Tier-2 binary classification models $M^2 = M_j^2 | 1 \leq j \leq k$ based on metadata, forming an ensemble learner for algorithm recommendation.

Procedure 3 outlines the recommendation process using ensemble learning, taking into account five input parameters: p_{new} (the new classification problem), $\mathcal{A}$ (the set of candidate classification algorithms), F (the set of meta feature extraction functions), $L^{'}$ (the set of selected trained Tier-1 learners), and M^2 (the Tier-2 binary classification model). The output $Algs$ represents the recommended appropriate algorithm(s) for p_{new}.

Algorithm 3. Recommendation based on ensemble learning

Require:
p_{new}: the new classification problem
$\mathcal{A}$: the candidate classification algorithms, $\{a_j | j = 1, 2, ..., k\}$
F: the set of meta feature extraction functions, $\{F_1, F_2, ..., F_q\}$
$L^{'}$: the set of selected trained Tier-1 learners
M^2: the Tier-2 classification model, $M^2 = \{M_j^2 | 1 \leq j \leq k\}$
Ensure:
$Algs$: set of recommended appropriate algorithms for p_{new}
1: **for** each data characterization method F_j in F **do**
2: X_{new}^j = featureCollect(p_{new}, F_j);
3: $X_{new} = X_{new} \cup X_{new}^j$;
4: **end for**
5: $X_{new}^{'} = \{X_{new,t} | 1 \leq t \leq 2^q - 1\} = nchoosek(\{X_{new}\})$;
6: **for** each $X_{new,t} \in X_{new}^{'}$ **do**
7: $inst_t = (X_{new,t}, '?')$;
8: $D_{new} = D_{new} \cup inst_t$;
9: **end for**
10: $Out_{new} = L^{'}.predict(D_{new})$;
11: $D_{new}^2 = transform(Out_{new})$;
12: **for** each instance $inst_j \in D_{new}^{2'}$ **do**
13: $C_j = classify(M_j^2, inst_j)$;
14: **if** C_j == 1 **then**
15: $Algs = Algs \cup \{a_j\}$;
16: **end if**
17: **end for**
18: return $Algs$;

Procedure 3 outlines the process for recommending suitable algorithms for a new classification problem p_{new}. Here's how it unfolds:

p_{new} initially gathers q types of meta-features to create its feature set X_{new} (lines 1-4).

The $nchoosek$ function is then utilized to generate all possible combinations of elements in X_{new} (line 5), which constructs D_{new} with these combinations serving as attributes (lines 6-9).

The unknown labels of D_{new} are represented as '?' to indicate their uncertainty.

Following this, Out_{new}, the output of the Tier-1 model $L^{'}$ on D_{new}, is obtained (line 10). It is then transformed into D^2_{new}, the input for the Tier-1 model (line 11). Next, each instance $inst_j$ in D^2_{new} is classified by M^2_j, resulting in label C_j (lines 12-17). If C_j is 1, the corresponding algorithm a_j is added to the set $Algs$. Finally, the set of recommended appropriate algorithms $Algs$ for p_{new} is returned, signifying the conclusion of the recommendation process.

IV. Empirical Study

In this section, I conduct an empirical investigation to assess the performance of the *EML* method. I begin by outlining the experimental setup, followed by a comparison of *EML* with baseline methods. Finally, I present a comparison of the number of recommended algorithms between *EML* and baseline methods.

A. Experimental setup

To ensure the reproducibility of our experiment, I establish the following setup:

1) Benchmark datasets: I utilize a collection of 183 publicly available datasets sourced from prominent repositories such as the UCI repository[56], StatLib[57], openML[58], and KEEL[59]. The statistical summary of these datasets, including their names, number of features, instances, and classes, is provided in the appendix. These datasets are widely employed in classification research and represent real-world classification problems.

2) Candidate Classification Algorithms: To ensure the robustness of our experimental findings, I include a diverse set of 20 well-established classification algorithms, each utilizing distinct methodologies. These algorithms are classified into various categories:

- Probability-based algorithms: Aggregating One-Dependence Estimators (AODE), Naive Bayes (NB), Bayes Network.
- Tree-based algorithms: C4.5, CART, Random Tree.
- Rule-based algorithms: Ripper, PART, OneR, NNge.
- Support-vector-machine-based algorithm: SMO.
- Lazy learning-based algorithm: IB1.
- Gaussian function-based algorithm: RBF-Network.
- Ensemble learning-based algorithms: RandomForest, Boosting+NB, Boosting+C4.5, Boosting+PART, Bagging+NB, Bagging+C4.5, Bagging+PART.

3) Performance Evaluation Metrics: IIn our experimental setup, I rely on two primary metrics to gauge the effectiveness of the candidate classification algorithms. The foremost metric is accuracy, a widely adopted measure in performance evaluation. Additionally, I incorporate the Adjusted Ratio of Ratios (ARR)[25] metric, which factors in both classification accuracy and runtime, providing a more comprehensive evaluation of algorithmic efficacy.

Moreover, a 5$\times$ 10-fold cross-validation procedure is performed when evaluating the classification algorithms on the given dataset.

4) Baseline Methods and Performance Measures: To evaluate the efficacy of our proposed *EML* method, I conduct a comparative analysis against two existing approaches for multi-label-based classification algorithm recommendation: the *ML-KNN* method[30] and the single-link prediction (*SLP*) method[32], which employs the *RWR* algorithm[60] for link prediction.

This comparison is based on four key performance metrics: Hamming Loss, F-measure, Accuracy, and Hit Ratio. These metrics, commonly used in related studies[30], [32], comprehensively evaluate recommendation effectiveness.

5) Experimental Procedure and Parameter Setting: I employ a *leave-one-out* cross-validation approach, where each dataset takes turns as the new dataset while the rest serve as historical datasets. This ensures that all 183 datasets are utilized as new datasets during the experiment. To maintain fairness, I set the parameter k (the number of nearest neighbors) of *ML-KNN* to 5, aligning with the linking of each dataset node with its five nearest neighbor nodes in *SLP*.

The number of recommended algorithms is not predetermined for *EML*; it dynamically determines the appropriate number. However, for baseline methods, I set the recommended algorithm number to 5, per their respective papers' recommendations.

B. Performance Evaluation of EML

In this section, I present and analyze the performance of *EML*. Firstly, I report the average performance of *EML* and compare it to that of the baseline methods. Subsequently, I conduct a significance test to determine if the observed differ-

ences between *EML* and the baseline methods are statistically significant.

1) Average performance comparison: Within this section, I conduct a comparative analysis between *EML* and the baseline methods across key performance metrics, including *Hamming Loss*, *F-Measure*, *Accuracy*, and *Hit Ratio*. The outcomes of this comparison are visualized in Figure 5.

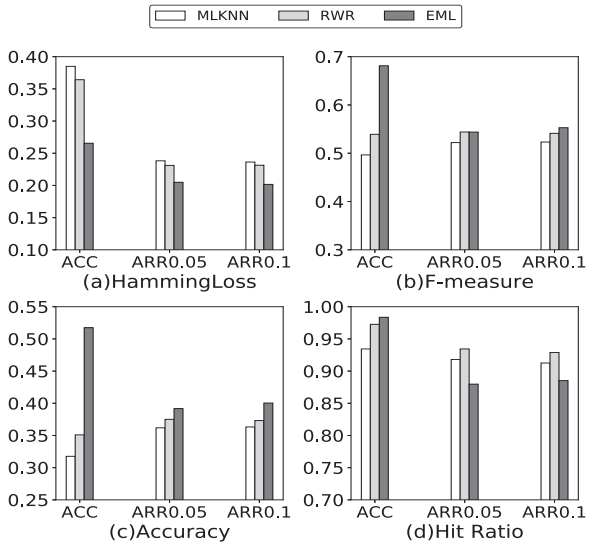


Fig. 5. Comparison on *Hamming Loss*, *F-Measure*, *Accuracy* and *Hit Ratio* between *MLKNN* based, *RWR* based and *EML* recommendation methods

2) Comparison of Performance Metrics: **Hamming Loss:**

The *Hamming Loss* assesses recommendation accuracy, with lower values indicating better performance.

In Figure 5(a), *EML* consistently achieves lower *Hamming Loss* values across all evaluation metrics compared to *SLP* methods.

F-Measure:

F-Measure balances *Precision* and *Recall*, with higher values indicating better recommendations.

Figure 5(b) shows that *EML* outperforms other methods, particularly in ACC.

Accuracy:

EML consistently achieves higher *Accuracy* compared to other methods, especially in ACC, as depicted in Figure 5(c).

Hit Ratio:

The *Hit Ratio* reflects recommendation appropriateness, with higher values indicating better performance.

Figure 5(d) shows that *EML* recommends fewer algorithms, yet achieves comparable or higher *Hit Ratio* values than baseline methods.

In summary, *EML* consistently outperforms baseline methods across various metrics.

3) Significance Test: To validate the significance of *EML*'s improvements, a Wilcoxon signed-rank test at a significance level of 0.05 compares *EML* with baseline methods.

TABLE II
SIGNIFICANCE TEST RESULT OF COMPARISON BETWEEN *ML-KNN* BASED, *RWR* BASED AND *EML* RECOMMENDATION METHODS

(a) Statistical test result between *ML-KNN* based and *EML* methods

Alternative Hypothesis	Performance measures	Evaluation Metric		
		ACC	$ARR_{0.05}$	$ARR_{0.1}$
EML >ML-KNN	Hamming Losses	1.00	1.00	1.00
	F-Measures	**0.00**	0.27	0.10
	Accuracy	**0.00**	0.08	**0.02**
	Hit Ratios	**0.01**	0.97	0.94
EML <ML-KNN	Hamming Losses	**0.00**	**0.00**	**0.00**
	F-Measures	1.00	0.73	0.90
	Accuracy	1.00	0.92	0.98
	Hit Ratios	0.99	**0.04**	0.07
	Win/Draw/Loss	4/0/0	1/2/1	2/2/0

(b) Statistical test result between *RWR* based and *EML* methods

Alternative Hypothesis	Performance measures	Evaluation Metric		
		ACC	$ARR_{0.05}$	$ARR_{0.1}$
EML >RWR	Hamming Loss	1.00	1.00	1.00
	F-Measure	**0.00**	0.71	0.40
	Accuracy	**0.00**	0.37	0.13
	Hit Ratio	0.26	0.99	0.98
EML <RWR	Hamming Loss	**0.00**	**0.00**	**0.00**
	F-Measure	1.00	0.29	0.60
	Accuracy	1.00	0.63	0.87
	Hit Ratio	0.78	**0.01**	**0.02**
	Win/Draw/Loss	3/1/0	1/2/1	1/2/1

The statistical test results in Table II compare the performance of *EML* with baseline methods. Each subtable presents two alternative hypotheses regarding whether *EML* outperforms or is inferior to the baseline method across different evaluation metrics.

A p-value < 0.05, indicated in bold, supports the alternative hypothesis. For instance, in Subtable II(a), a p-value of 0.00 for *F-Measure* suggests that *EML* is statistically better than the *ML-KNN* method. The "Win/Draw/Loss" record in each subtable shows the number of cases where *EML* is statistically superior to/equal to/inferior to the compared method.

From Table II, it is evident that *EML* statistically outperforms baseline methods across various metrics.

C. Comparison on Recommended Algorithm Numbers

This section compares the number of recommended algorithms between baseline methods and *EML*. Since *RWR* and *ML-KNN* methods recommend a fixed number of algorithms, *RWR* is chosen as a representative. It is set to recommend 5 algorithms, as suggested in its paper.

The results show that *EML* recommends a variable number of algorithms automatically, adapting to the problem's complexity, whereas *RWR* recommends a fixed number. This flexibility suggests a potential advantage of *EML* over baseline methods.

TABLE III
THE COMPARISON ON THE RECOMMENDED ALGORITHM NUMBER BETWEEN *RWR* BASED AND *EML* METHODS

Evaluation Metric	Win/Draw/Loss		
	Win	Draw	Loss
ACC	94	28	61
$ARR_{0.05}$	83	37	63
$ARR_{0.1}$	84	40	59

Table III presents the "Win/Draw/Loss" outcomes of the comparison on 183 historical classification problems. The squared error is used to assess the proximity of the recommended and actual numbers of algorithms, with the "Win/Draw/Loss" record indicating whether the squared error of *EML* is smaller than/equal to/larger than the compared method.

The results indicate that regardless of using ACC, $ARR_{0.05}$, or $ARR_{0.1}$, the recommended algorithm number of *EML* is closer to the actual number. The disparity is most significant in ACC, where the performance of *EML* notably surpasses the two baseline methods. This suggests that *EML* adeptly adjusts the recommended number of algorithms according to different classification problems.

V. POTENTIAL LIMITATIONS

A possible limitation of this study concerns the diversity of the 183 datasets and the 20 candidate classification algorithms used. Ensuring a representative sample by selecting widely-used datasets and established algorithms aims to mitigate this issue.

Another aspect to consider is the reliance on *Accuracy* and *ARR* as primary evaluation metrics for classification. It's worth noting that these metrics are also employed in the baseline methods of this study.

VI. CONCLUDING REMARKS

This paper presents *EML*, a two-layer classification algorithm recommendation framework based on ensemble learning. Leveraging diverse combinations of meta-features, *EML* autonomously suggests the most suitable algorithm(s) for diverse classification problems.

The methodology involves generating varied meta-feature combinations to construct Tier-1 learners, establishing Tier-2 training datasets based on Tier-1 predictions, and utilizing Tier-2 models to recommend appropriate algorithms for new tasks.

Empirical findings, based on 183 datasets and 20 classification algorithms, demonstrate *EML*'s superiority over single-link prediction and *ML-KNN* approaches. Moreover, *EML* provides recommendations closer to actual requirements compared to baseline methods.

Future research will focus on enhancing *EML*'s efficiency and effectiveness, exploring alternative distance metrics for *ML-KNN*, and identifying more effective meta-features or combinations for accelerated Tier-2 classification.

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Study on Dumping Grounds in Urban Areas with specific reference to Waste Management and Sustainability

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***Abstract*— Due to rapid urbanization, managing daily generated waste has become a significant challenge. This waste typically originates from industrial, commercial, and residential areas. If the waste is not properly disposed, it can harm public health and negatively impact the cleanliness and appearance of the area.**

This paper presents a study focused on the current state of solid waste management at the dumping ground in urban areas. It also proposes practical methods to address the issues caused due to improper waste management and provides solutions to mitigate these issues.

Keywords—Dumping ground, waste management, sustainability

I. INTRODUCTION

In urban areas, managing waste daily has become a serious problem, especially in urban areas with high population density. A densely populated region, faces major waste management challenges that affects the public health and environment. Generally, these wastes are disposed of at dumping grounds. When the waste is not properly disposed of at dumping grounds, it degrades soil quality, air quality and water quality (especially ground water quality). Further, it increases the risk of air-borne and water-borne diseases. Additionally, the waste dumped at the dumping grounds may include resources that could be have been recycled which leads to wastage of resources.

Another problem associated with the improper waste management is lack of waste segregation. When the waste is not segregated into categories like organic, recyclable, and hazardous, it becomes challenging to recycle. This issue is worsened by the fact that the population in the area keeps growing, but the size of the dumping ground stays the same. As a result, there is more waste to handle in the same amount of space.

Moreover, the ability of municipal corporation of the urban areas to collect, separate, and dispose of solid waste is limited and does not keep up with the increasing amount of waste. The current system adopted by the municipal corporation is not sufficient to handle the waste disposals at the dumping grounds.

Therefore, there is a need for a sustainable waste management system to address the issues associated with the waste disposals at the dumping grounds. This paper aims to examine the current waste management practices in the urban areas, identify the key problems, and suggest sustainable solutions.

II. LITERATURE REVIEW

In recent studies, various researchers have explored the critical issues surrounding waste management and its effects on public health and the environment.

In [1], authors discuss the health risks associated with improper waste disposal, particularly in densely populated urban areas. [1] highlights the direct impact of poorly managed waste on respiratory diseases, eye infections, and other morbidities. They emphasize the need for improved waste segregation and management systems to mitigate these health risks.

In [2], authors discuss the severe environmental and health impacts of inadequate solid waste management. With increasing urbanization, improper disposal and treatment of waste result in hazardous effects. Urgent and effective actions, along with strict policies, are needed to mitigate the long-term health

risks and environmental degradation caused by improper waste management.

In [3], authors propose a microeconomic framework for sustainable waste management, emphasizing the importance of recycling, composting, and stakeholder collaboration. Further, [3] highlights the need for efficient resource use and reduced environmental impact, promoting a holistic approach to waste management for sustainable development.

In [4], authors provides a significant evaluation of compost production from vegetable and food market waste in Ulaanbaatar, Mongolia. [4] highlights the potential for generating 657,621 tons of compost annually from 1,826.7 tons of vegetable market waste collected daily. The composting process, however, revealed the presence of intestinal bacilli at 21 days, indicating that the compost was not fully mature. The study shown in [3] concluded that a maturation period of 60 days is essential for achieving fully mature compost. Furthermore, [4] demonstrated that compost fertilizer derived from food market waste could be effectively applied to soil at a rate of 15-20 tons per hectare, supporting sustainable agricultural practices. The study shown in [4] highlights the feasibility and environmental benefits of utilizing vegetable market waste for compost production. [4] emphasize the importance of proper composting durations to ensure maturity and safe application to agricultural land, contributing to waste management and soil fertility enhancement.

III. RESEARCH OBJECTIVE

1. To study how waste, including dry and wet waste, is currently managed at dumping grounds in urban areas.
2. To find problems in the waste collection, segregation, and disposal processes and suggest better ways to fix them.
3. To analyse the environmental, social, and economic impacts of current waste management practices and assess the feasibility and effectiveness of proposed solutions.

IV. HYPOTHESIS

Ho: Null Hypothesis

The current waste management system at the dumping ground, including the handling of dry and wet waste, does not significantly impact environmental quality, public health, or resource optimization.

H1: Alternative Hypothesis

The current waste management system at the dumping ground, including inadequate handling of dry and wet waste, significantly affects environmental quality, public health, and resource optimization.

V. LIMITATION OF THE STUDY

1. Inadequate understanding or compliance by residents and businesses regarding waste segregation and disposal practices.
2. Unpredictable weather conditions, such as heavy rains, could impact data collection and site visits.
3. Changes in local government policies during the study period could affect findings or recommendations.

VI. RESEARCH METHODOLOGY

A. Experimental Methodology: Setting Up a Waste Processing Center

- The study involves redirecting waste from the dumping ground to a designated research centre where waste will be handled and processed daily.
- The research centre will implement segregation practices to separate dry and wet (organic) waste for further processing.

B. Methodology for Organic Farming Fertilizer Production

- To convert wet waste into organic fertilizer using composting methods.
- Composting Process: Use aerobic or anaerobic composting techniques to process wet waste into high-quality organic fertilizer**.**

C. Methodology for Dry Waste Management

- To create a supply chain for segregated dry waste by selling it to multiple buyers.
- Sorting and Classification: Separate dry waste into categories (e.g., paper, plastic, metal, glass) for recycling.

- Market Identification: Identify buyers and recycling companies willing to purchase sorted dry waste.
- Contracts with Buyers: Establish agreements with multiple buyers to ensure a steady flow of recycled materials.
- Data Collection & Analysis:
- Monitor the quantity of dry waste collected, segregated, and sold.
- Analyse revenue generation trends from dry waste sales.
- Methodology Type: Market Research and Feasibility Analysis

D. Methodology for Securing Government Funds

- To draft and propose projects to obtain government funding for sustainable waste management initiatives.
- Develop detailed project proposals focusing on the research centre, composting, recycling, and waste segregation initiatives.
- Align proposals with government waste management policies and sustainability goals.
- Submit proposals to relevant government departments and monitor approval status.
- Methodology Type: Policy Analysis and Proposal Writing.

E. Methodology for Attracting Private Investment

- To attract investments from private companies interested in sustainable waste management projects.
- Design a viable business model showing the financial and environmental benefits of the research centre's activities.
- Present the model to potential investors through meetings, presentations, and reports.
- Collaborate with private players to co-fund projects and share responsibilities.
- Methodology Type: Business Analysis and Financial Modelling.

VII. DATA ANALYSIS

A. Quantitative Analysis:

a.) How Much Waste is Processed Every Day:

- Measure the total amount of waste processed at the research centre every day. This includes both wet (organic) waste and dry waste separately.
- Use tools or manual tracking to record how much waste is collected each day.

b.) Money Made from Selling Dry Waste and Organic Fertilizers:

- Track how much money is earned from selling the recycled dry waste and the organic fertilizers made from wet waste.
- Look at how the prices and sales are doing to understand how much income the project brings in.

c.) Government and Private Funds Received:

- Keep a record of all the money received from the government and private investors.
- Check how this money is being used for the sustainability projects.

d.) Reduction in Waste Sent to the Dumping Ground:

- Track how much waste is being kept out of the dumping ground due to the new waste management practices.
- Compare how much waste was going to the dumping ground before and after the new system was put in place.

B. Qualitative Analysis:

a.) Feedback from Farmers Using Organic Fertilizers:

- Collect opinions from farmers who are using the organic fertilizers made from wet waste.
- See how effective the fertilizers are for crops and how they impact soil quality.

b.) Community Response to Improved Waste Management Practices:

- Ask local residents and businesses for their opinions on the new waste management methods.
- Find out if people's attitudes toward waste separation, recycling, and pollution control have changed.

c.) Investor and Buyer Satisfaction with Project Outcomes:

- Ask investors and buyers how satisfied they are with the results of the project.
- Use their feedback to make improvements in future projects.

C. *Statistical Tools:*

a.) Microsoft Excel or SPSS (Statistical Package for the Social Sciences):

- These tools will be used to organize and analyse the data.
- SPSS can help us generate simple statistics to understand how things like waste amounts and money made are connected.

b.) Machine Learning Algorithms:

- Regression Analysis: This will help us see how different things like waste generation and revenue are related.
- Classification Algorithms (e.g., Decision Trees): These will help sort different types of waste (like organic and recyclable) more efficiently.
- Clustering Algorithms (e.g., K-means): This will help us find patterns in where and when the most waste is generated, helping us plan better collection schedules.
- Predictive Modelling (e.g., Linear Regression): This will help us predict future waste generation trends and how much money we might make, so we can plan for the future.

VIII. Suggestions and Recommendations

A. *Improve Waste Segregation at Source:*

Suggestion: Encourage residents and businesses to segregate waste into wet (organic) and dry waste at the source.

Recommendation: Conduct community workshops and awareness campaigns on the importance of waste segregation. Provide residents with separate bins for organic and recyclable waste. This will make the entire process more efficient and help reduce contamination.

B. *Set Up More Waste Processing Centers:*

Suggestion: Expand the research centre and set up more processing units in different parts of the city to handle the increasing waste.

Recommendation: The local government and private companies should collaborate to establish additional facilities for waste processing, composting, and recycling. This will reduce the load on existing sites and help manage waste more effectively.

C. *Incentivize Recycling and Waste Minimization:*

Suggestion: Offer incentives to residents and businesses that actively participate in recycling and waste reduction efforts.

Recommendation: Introduce reward systems, such as discounts on utility bills or coupons for eco-friendly products, for those who properly segregate and recycle their waste. This will encourage more people to participate in sustainable practices.

D. *Promote the Use of Organic Fertilizer in Farming:*

Suggestion: Encourage local farmers to use organic fertilizers made from wet waste.

Recommendation: Set up training programs for farmers to educate them on the benefits of organic fertilizers. Additionally, offer subsidies or discounts on fertilizers produced at the research centre to make them more affordable and accessible.

E. *Government and Private Sector Collaboration for Funding and Investment:*

Suggestion: Strengthen collaboration between the government, private investors, and the community to secure funding for waste management projects.

Recommendation: The government should create clear policies and financial incentives to attract private investments in waste management. Proposals for new projects should be submitted regularly to ensure continuous funding and support.

F. *Increase Public Awareness and Community Engagement:*

Suggestion: Launch continuous public awareness campaigns to educate the community about the importance of waste management and the impact of improper disposal.

Recommendation: Use social media, local newspapers, and community events to spread information. Schools and community centres can

also be involved in training the next generation on sustainable waste practices.

G. *Adopt Technology for Waste Monitoring and Data Collection:*

Suggestion: Implement technology to monitor waste generation and track the effectiveness of the waste management system.

Recommendation: Use sensors, smart bins, and mobile apps to track waste collection, segregation, and disposal. This data can help optimize collection schedules, improve efficiency, and ensure that resources are used effectively.

H. *Evaluate and Improve Existing Waste Management Systems:*

Suggestion: Continuously evaluate the effectiveness of current waste management systems to identify areas for improvement.

Recommendation: Regular audits of waste management practices should be conducted by independent bodies. Based on the findings, adjustments should be made to improve efficiency and reduce costs.

IX. CONCLUSION

The study of waste management at dumping grounds highlights serious challenges in handling the increasing volume of waste. Poor waste sorting, insufficient processing facilities, and lack of public participation are key contributors to pollution and health issues.

Improving waste management practices, such as separating wet and dry waste, establishing processing centres, and raising public awareness, can significantly reduce the burden on dumping grounds. Utilizing wet waste to produce compost can benefit farmers, while recycling dry waste can create new business opportunities. Additionally, government funding and private investments are essential to support and expand these initiatives.

By implementing these suggestions, urban areas can develop a more sustainable and efficient waste management system. This will enhance residents' quality of life and help protect the environment. Effective waste management can reduce pollution, conserve resources, and ensure a cleaner, healthier environment for future generations

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I would like to express my heartfelt gratitude to Dr. Rinkesh Chheda, Assistant Professor, S.I.E.S College of Commerce & Economics (Autonomous), Mumbai University, for his invaluable guidance and encouragement throughout the course of this work. His insights and constructive feedback have been instrumental in shaping this research. I deeply appreciate his unwavering support and mentorship, which have greatly contributed to the successful completion of this paper.

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A Study on Impact of Green Marketing on Consumer Purchaisng Decision of Mumbai Region

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A Study on Impact of Green Marketing on Consumer Purchaisng Decision of Mumbai Region

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***Abstract*— Green marketing plays a crucial role In sustainable development and environmental preservation. This study examines green marketing practices in India, focusing on Mumbai. Key objectives include assessing public awareness, perceptions, and benefits of green products, and understanding challenges in green marketing. Findings reveal substantial consumer awareness but limited knowledge of organizational initiatives, with the internet as a key information source. Consumers show growing interest in eco-friendly practices, highlighting opportunities for green strategies. Challenges include economic constraints and sector-specific behaviours. The study underscores integrating green marketing into business operations and leveraging digital platforms to align with consumer expectations and environmental goals.**

Keywords—Eco- Friendly, sustainability development

I. INTRODUCTION

Green Marketing refers to the process of selling products and services based on their environmental benefits. Such a product or service may be environmentally friendly in itself or produced in an environmentally friendly way, such as: Being manufactured in a sustainable fashion. Not containing toxic materials or ozone depleting substances. Able to be recycled and/or is produced from recycled material. Being made from renewable materials (such as bamboo, etc). Not making use of excessive packaging. Being designed to be repairable and not "throwaway". GREEN Marketing and Sustainable development. Green marketing is typically practiced by companies that are committed to sustainable development and corporate social responsibility. More organizations are making an effort to implement sustainable business practices as they recognize that in doing so, they can make their product more attractive to consumers and also reduce expenses, including packaging, transportation, energy/water usage, etc. Businesses are increasingly discovering that demonstrating a high level of social responsibility can increase brand loyalty among socially conscious consumers; green marketing can help them do that..

II. LITERATURE REVIEW

In recent studies, various researchers have explored the analysis on Green Marketing

In [1], Oyewole, P. (2001). In his paper presents a conceptual link among green marketing, environmental justice, and industrial ecology. It argues for greater awareness of environmental justice in the practice of green marketing. A research agenda is finally suggested to determine consumers' awareness of environmental justice, and their willingness. Brahma, M. & Dande, R. (2008), The Economic Times, Mumbai, had an article which stated that Green Ventures India is a subsidiary of New York based asset management firm Green Ventures International. The latter recently announced a $300 million India focused fund aimed at renewable energy products and supporting trading in carbon credits.

In [2], Sanjay K. Jain & Gurmeet Kaur (2004), in their study environmentalism has fast emerged as a worldwide phenomenon. Business firms too have risen to the occasion and have started responding to

environmental challenges by practicing green marketing strategies.
Green consumerism has played a catalytic role in ushering corporate environmentalism and making business firms green marketing oriented. Based on the data collected through a field survey, the paper makes an assessment of the extent of environmental awareness, attitudes and behavior prevalent among consumers in India.
policies, are needed to mitigate the long-term health risks and environmental degradation caused by improper waste management.

In [3] Bhanu Pratap Singh and Dr. Ruchi Kashyap Mehra (2019), the study reveals that the consumer awareness towards green marketing and buying behaviour of green products and green marketing impact on society. The author reveals that the people of the Indore city consumers are aware of green marketing. Deepa Ingavale and Auradha Gaikwad (2011), had observed that there is no significance relation between income, educational qualification and occupation with respect to awareness about the Green Marketing. Nik Ramli Nik Abdul Rashid (2009), the study reveals that the Malaysian consumers will react positively towards eco-label. Polanski, Michael Jay (1994), the study reveals that green marketing covers more than a firms marketing claim. The firms are responsible for the environmental degradation but it the consumers who demand those products. So, it is not only the responsibility of the firms but also of the consumers.

In [4] Dr.Patel& Dr. Pawan K.(2016) Chugan in their study confirmed that environmental knowledge, corporate image, the agility of product functions, and the ethical impact of were aspects of green advertising that had a significant positive impact on consumers' green purchasing intentions. In contrast, this study found that neither skepticism about green claims nor the credibility of advertising was significant in influencing green purchase intentions. However, since this study was applied to general advertising for research purposes, further investigation may be conducted by examining certain types of green advertisements, including online advertisements, print advertisements, radio advertisements, and TV advertisements. Thus, a more specific understanding can be obtained from the literature, where consumer perceptions of green advertising will vary depending on the format or medium used. In this study, the impact of consumers' perceptions of green/environmental advertising on purchase intentions was measured.

III. RESEARCH OBJECTIVE

1. To study the concept of Green Marketing w.r.t. Indian context.
2. To determine the Mumbai Region's general public's level of awareness on environmental sustainability.
3. To identify the factors that influence the customer persuasion to buy green products.
4. To identify the factors affecting Green Marketing strategies & purchasing decisions.
5. To identify the correlation between Green Marketing & purchasing decisions

IV. HYPOTHESIS

Ho: Null Hypothesis

There is no awareness of environmental sustainability among consumers

H1: Alternative Hypothesis

There is an awareness of environmental sustainability in consumers.

Ho: Null Hypothesis

There are no such factors which affect the influence of customers' persuasion to buy green products.

H1: Alternative Hypothesis

There are factors which affect the influence of customer persuasion to buy green products.

Ho: Null Hypothesis

There is a positive consumer perception towards green products.

H1: Alternative Hypothesis

There is a negative consumer perception towards green products.

Ho: Null Hypothesis

There is a negative correlation between green marketing and purchasing decisions.

H1: Alternative Hypothesis

There is a positive correlation between green marketing and purchasing decisions.

V. LIMITATION OF THE STUDY

1. The study is limited to only the Mumbai region.
2. The study does not cover core psychological aspects of individual consumers.
3. The study will only focus on consumer perception towards green products in general.
4. The study will not consider any other economic variables affecting green marketing

VI. RESEARCH METHODOLOGY

A. RESEARCH DESIGN:
Descriptive & Diagnostic research design

B. DATA COLLECTION:

Secondary Data
The secondary data will be collected from various national & International Journals, Government websites & magazines along with new articles & thesis.

C.Primary Data

Method of Data Collection
Survey method
Population
General public of Mumbai Region

D.Sample Size

The estimated sample size is 100 people from the Mumbai region.
Sampling Method
Random Probability Method
Sampling Area/frame
Mumbai Region

Statistical test : Single factor ANOVA

VII. DATA ANALYSIS

A. Quantitative Analysis:

DATA ANALYSIS & INTERPRETATION:

H0 - There is no awareness of environmental sustainability among consumers.

H1 - There is an awareness of environmental sustainability in consumers.

Anova: Single Factor

SUMMARY

Groups	*Count*	*Sum*	*Average*	*Variance*
1	65	68	1.046	0.044712
1	65	158	2.431	2.967788
2	65	142	2.185	0.402885

ANOVA

Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	70.933	2	35.47	31.15315	1.91705E-12	3.04296402
Within Groups	218.58	192	1.138			
Total	289.52	194				

The results of the single-factor ANOVA analysis indicate a significant difference between the means of the two groups. Group A, with an average of 1.1846 and a variance of 0.1529, is statistically distinct from Group B, which has a higher average of 2.0462 and a variance of 0.7947. The ANOVA test reveals an F-statistic of 50.9143, which far exceeds the critical value of 3.9151. Furthermore, the P-value ($6.38\times10-116.38\times10\ -11$) is substantially lower than the standard significance threshold of 0.05, confirming that the observed differences are not due to random chance. The within-group variability (mean square: 0.4738) is relatively low compared to the variability between groups (mean square: 24.1231), reinforcing the conclusion that the two groups differ significantly. These results suggest that the factors distinguishing the two groups have a meaningful impact on the measured outcomes.

H0 - There is a negative correlation between green marketing and purchasing decisions.

H1 - There is a positive correlation between green marketing and purchasing decisions.

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
2	65	74	1.138	0.1212
2	65	126	1.938	0.3712
2	65	235	3.615	1.0841
1	65	68	1.046	0.0447

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	276.13	3	92.04	227.11	7.78484E-72	2.6398627
Within Groups	103.75	256	0.405			
Total	379.8	25				
	9	9				

The **F-statistic** is very large (227.1095), and the **P-value** is extremely small (7.78E-72), which indicates that the differences between the groups are highly significant. Since the **P-value** is much smaller than typical significance levels (such as 0.05), you can reject the null hypothesis that all group means are equal. The significant variation between groups suggests that the factor you're testing has a large effect on the groups. The group means are not likely to be the same, and there is strong evidence that differences between the groups exist. the F-statistic (227.1095) is much greater than the critical value (2.6399), reinforcing that the group means are significantly different.

P-value (7.78484E-72): This is extremely small, indicating that the observed difference between group means is highly statistically significant. In fact, the probability of observing such extreme results by random chance is effectively zero. Thus the null hypothesis is rejected. (which states that all group means are equal)

H0 - There is a positive consumer perception towards green products.

H1 - There is a negative consumer perception towards green products.

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
1	65	89	1.37	0.2365
1	65	68	1.05	0.0447
3	65	265	4.08	0.7909
1	65	133	2.05	0.7947

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	360.8	3	120	257.7	5.07989E-77	2.63986279
Within Groups	119.5	256	0.47			
Total	480.3	259				

The **F-statistic (257.7004)** is extremely large, and the **P-value (5.07989E-77)** is very small, indicating that the variation between the group means is highly significant. Since the **P-value** is far below typical significance levels we can reject the null hypothesis, which means that the means of the groups are not equal. The results suggest that the factor being tested has a significant impact on the groups, and the means of at least some of the groups are different from each other. the calculated F-statistic (257.7004) is much larger than the critical value (2.6399), reinforcing the conclusion that there are significant differences between the group means.

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VIII. Suggestions and Recommendations

It is suggested that the study should not be limited to only the Mumbai region so as to get the macro level insights for better measures at national level. The study can be taken ahead to cover core

psychological aspects of individual consumers. There should be an individual industry/sector wise consumer perception towards green products. Hard core research has to be conducted for considering the economic variables affecting green marketing.

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IX. CONCLUSION

Green marketing is the need of today's global market. Green products and practices will help us to save our environment and it will establish sustainable development. Companies should start following green marketing in their day-to-day production. Green marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of green marketing. If you think customers are not concerned about environmental issues or will not pay a premium for products that are more eco-responsible, think again. You must find an opportunity to enhance you product's performance and strengthen your customer's loyalty and command a higher price. Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential. Consumers' level of awareness about green products found to be high but at the same time consumers are not aware about green initiatives undertaken by various government and non-government agencies signifying need for more efforts from organizations in this regard. Internet remains leading source of information for most of the respondents and should be utilized more for reaching out to the consumers regarding green products and practices. Responses were on moderate positive level and we can conclude that consumers are not skeptic about green claims of the organizations and consumers are concerned about the present and future state of environment signifying need for green products and practices. Marketers can come up with new green products and communicate the benefits to the consumers. Due to increased awareness and concern consumer may prefer green products over conventional products to protect the environment. The consumers are concerned about the state of environment and expect the organizations to employ green practices towards the protection of environment. The results have implication for durable manufacturers especially to practice green marketing. The marketing communication regarding green practices need to focus more on the me and message. Advertising appeals using green products and practices are likely to move emotions and result in persuasion. It is important for markets to be in top-of-mind recall of consumers to gain maximum from their green brand positioning.

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A study on the impact of programme outcome attainment in bridging employability gap with reference to undergraduate programmes offered by HEIs in Mumbai suburban region

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A study on the impact of programme outcome attainment in bridging employability gap with reference to undergraduate programmes offered by HEIs in Mumbai suburban region

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***Abstract*—This study examines the impact of programme outcome attainment in bridging the employability gap among graduates from Higher Education Institutions (HEIs) in the Mumbai suburban region. Based on a survey of 100 respondents, the research evaluates the effectiveness of curriculum design, institutional policies, and industry-academia collaborations. The findings highlight critical gaps and propose strategic recommendations for enhancing employability outcomes.**

***Keywords*—Employability gap, Programme Outcome Attainment, HEIs, Industry-Academia Collaboration, Curriculum Effectiveness**

1. INTRODUCTION

The employability gap among graduates remains a pressing issue for HEIs in Mumbai. This study investigates how programme outcome attainment influences employability and explores institutional and collaborative practices aimed at addressing the gap. The objectives include evaluating curriculum effectiveness, identifying challenges, and proposing actionable strategies.

The employability gap, is defined as the disconnect between the skills and competencies of graduates and the requirements of the industries, is a critical issue facing the global education system. In Mumbai, a city that serves as a hub for various industries, higher education institutions (HEIs) play a crucial role in shaping the future workforce. However, the alignment between academic curricula and industry needs remains a persistent challenge. This research aims to explore the role of HEIs in Mumbai in addressing the employability gap, focusing on the effectiveness of the existing curriculum, institutional policies, programs, and partnerships with industries.

2. CONCEPTUAL FRAMEWORK

Programme Outcome Attainment refers to the process of evaluating and demonstrating how well the educational objectives or outcomes of a specific program are being met by students.

The Higher Education Institutions (HEIs) refers to the institutions offering undergraduate self-financing courses in Commerce & management such as BAF, BBI, BBA & BMS.

Employability gap is referring to the disparity between the skills and competencies that undergraduate students possess upon graduation and the skills and competencies that are expected or required by an employer at entry-level positions.

The employability problem in Mumbai, as in many urban areas in India, is multifaceted and arises from a combination of factors such as

Skill gap- Gap between skills that students acquire through formal education and the skills that employers in Mumbai require.

Quality of Higher Education- Quality of education is still inconsistent in many educational institutions in Mumbai which makes it difficult for graduates from lesser-known institutions to compete with those from top-tier colleges.

High competition for jobs- The number of job opportunities does not always keep pace with the number of job seekers, leading to high competition for available positions.

Economic and industry specific challenges- Certain service sectors such as IT and finance are growing in cities like Mumbai whereas certain traditional industries in Mumbai are declining. Not all graduates are equipped to transition into these

emerging sectors. Even the rise of automation and AI is leading to job displacement in several industries creating more demand for new skills among employees.

Lack of Industry-Academia collaborations- Students are still not exposed to practical learnings and experiences through internships, apprenticeships and work integrated learning programs. There is a need for stronger collaborations between industry and academia to provide these exposures to students.

Addressing the employability problem in Mumbai requires a multi-pronged approach that includes updating educational curricula, enhancing industry- academia collaborations, improving skill development programs and addressing socio-economic disparities. This research aims to bridge the gap to increase job creation and provide recommendations to HEIs to ensure that graduates are equipped to meet the demands of the modern workforce.

3. RESEARCH OBJECTIVES

i. To analyze the current state of the employability gap among graduates from HEIs in Mumbai.

ii. To evaluate the impact of Programme Outcome Attainment and the effectiveness of the existing curriculum, institutional policies, programs and practices aimed at enhancing employability.

iii. To assess the role of industry-academia collaborations in bridging the employability gap.

iv. To identify challenges faced by HEIs in aligning academic programs with industry requirements.

v. To propose strategic recommendations for HEIs to enhance their role in reducing the employability gap.

4. LITERATURE REVIEW

I. The employability gap in India is a significant issue, with various studies and reports highlighting the mismatch between the skills of graduates and the requirement of employers. Various studies have proven that approximately 30% of the graduates remain unemployable not due to lack of employment opportunities but due to lack of skills. The literature review will include secondary data and primary data. Secondary data is the data that will be collected from existing research papers publishes by various researcher for their own research whereas primary data will include original data collected first-hand specifically for the purpose of addressing the research questions or objective.

II. Singh, R., & Sharma, S. (2014). "Bridging employability skills in management education: An industry-oriented approach." IUP Journal of Soft Skills*, 8(1), 7-13. This paper discusses the gap between the skills taught in management education and those required by industries, emphasizing the need for industry-oriented skill development programs. It can be used to analyze similar gaps in Mumbai's educational institutions.

III. India Skills Report (2022) Wheebox, CII, AICTE, UNDP, AIU, & Sunstone Eduversity. This annual report provides a comprehensive overview of the skills gap in India, with data that can be used to assess how well higher education institutions in Mumbai are responding to government initiatives.

IV. National Employability Report: Engineers (2021) Aspiring Minds. This report focused on the employability of engineering graduates across India, this report provides insights that can be specifically analyzed for Mumbai's context to assess the effectiveness of institutional and governmental policies. This report also states that only 45.9% of graduates were found employable across various sectors.

V. National Education Policy (NEP) 2020

The National Education Policy (NEP) 2020, introduced by the Ministry of Education, emphasizes the importance of aligning higher education outcomes with industry needs to address the employability gap. It advocates for a multidisciplinary approach to education, integration of vocational training, and a focus on skills like critical thinking, problem-solving, and

digital literacy. NEP 2020 also highlights the role of industry-academia collaboration in curriculum design and practical training to ensure students are industry-ready upon graduation. The policy's framework sets a foundation for educational institutions to innovate and adapt to evolving job market demands, particularly in regions like Mumbai with a dynamic and competitive employment landscape.

VI. Report on Employabi;lity by NASSCOM & CII

NASSCOM's Future Skills Report (2020) explores the growing need for digital skills in India's workforce, emphasizing the mismatch between academic training and industry requirements. The report identifies key areas such as artificial intelligence, data analytics, and cybersecurity, where skill gaps are prevalent. It suggests that higher education institutions (HEIs) must integrate emerging technologies into their curricula to prepare graduates for future job roles.

The CII Report (2021) underscores the importance of bridging the employability gap through strategic initiatives such as internships, apprenticeships, and real-world project-based learning. It highlights the need for continuous upskilling and reskilling programs to keep pace with technological advancements and changing industry expectations. Both reports emphasize collaboration between academia and industry as a critical factor in enhancing employability outcomes.

5. RESEARCH METHODOLOGY

A survey was conducted with 100 undergraduate students, faculty members, and recruiters associated with HEIs in Mumbai suburban region. A mixed-method approach was used to gather quantitative and qualitative data.

6. FINDINGS AND ANALYSIS

6.1 Current State of Employability Gap

Survey Insight: 65% of graduates reported difficulty in securing jobs aligned with their qualifications. Recruiters emphasized a mismatch between academic outcomes and industry expectations, particularly in technical and interpersonal skills.

Analysis:

The employability gap stems from a combination of factors:

- **Inadequate Skill Development:**

While theoretical knowledge is emphasized, practical application, critical thinking, and problem-solving skills are often underdeveloped.

Graduates lack exposure to real-world scenarios, which reduces their adaptability to workplace demands.

- **Outdated Curricula:**

Many programs fail to incorporate emerging industry trends like digital transformation, AI, and data analytics.

Slow curriculum revisions leave graduates ill-equipped for rapidly evolving job roles.

- **Limited Career Guidance:**

A lack of structured career counseling and mentorship during academic programs contributes to misaligned career aspirations and skill sets.

- **Regional Challenges:**

In Mumbai, the high competition for jobs amplifies the challenges, as employers prioritize candidates with hands-on experience and industry-ready skills.

6.2 Impact of Programme Outcome Attainment

Survey Insight: 58% of respondents agreed that programme outcomes are partially aligned with employability skills.

Analysis:

- **Foundational Knowledge vs. Practical Skills:**

While academic programs ensure graduates possess theoretical foundations, they often fail to address soft skills (e.g., communication, teamwork) and technical expertise (e.g., software proficiency, industry-specific tools).

Graduates are proficient in concepts but lack the ability to apply them effectively in workplace settings.

- **Inconsistent Implementation of Programme Outcomes:**

The mapping of programme outcomes to specific skills is uneven across institutions.

Some institutions excel in technical training, while others focus on holistic development, leading to varied employability rates.

- **Assessment Gaps:**

Current assessment methods focus more on rote learning than on evaluating problem-solving abilities, creativity, or decision-making skills.

There is a need for more project-based learning and competency-based evaluations to ensure better alignment with industry expectations.

- **Feedback Mechanism:**

Institutions lack robust feedback systems to evaluate whether programme outcomes are meeting industry standards are leading to a disconnect between academic goals and job market demands.

6.3 Role of Industry-Academia Collaborations

Survey Insight: 72% of respondents recognized internships and workshops as beneficial but noted limited opportunities.

Analysis:

- **Value of Practical Exposure:**

Internships, industry projects, and workshops offer hands-on experience, enabling students to bridge the gap between academic knowledge and practical application.

Students who participate in such activities are more likely to demonstrate job readiness and adaptability.

- **Challenges in Collaboration:**

Many HEIs lack established networks with industries, resulting in fewer internship opportunities and limited exposure to current industry practices.

Smaller institutions, in particular, struggle to attract partnerships due to resource constraints or geographical limitations.

- **Need for Structured Programs:**

Industry-academia collaborations often lack structure, leading to inconsistent benefits. Programs should include clear objectives, skill mapping, and periodic evaluations to maximize impact.

- **Emerging Trends and Opportunities:**

Collaborations in areas like digital up skilling, sustainability, and artificial intelligence can address skill gaps in high-demand sectors.

Industry experts could be invited to co-develop curricula, deliver guest lectures, and mentor students, fostering a deeper understanding of workplace expectations.

- **Policy Support:**

Government incentives for industries collaborating with HEIs can encourage partnerships, particularly in Mumbai's competitive job market.

6.4 Challenges Faced by HEIs

Survey Insight: 68% of faculty cited resource constraints and lack of industry involvement as major hurdles.

Analysis:

- **Resource Constraints:**

Financial Limitations: Many HEIs, particularly smaller institutions, struggle with insufficient funding to upgrade infrastructure, adopt modern teaching tools, or provide advanced training programs.

Lack of Technological Integration: Outdated laboratory equipment, limited access to industry-relevant software, and inadequate digital resources hinder students' ability to acquire practical skills.

Shortage of Skilled Faculty: Recruiting and retaining faculty with industry experience is challenging due to budget constraints and a lack of competitive salaries.

- **Limited Industry Involvement:**

Weak Partnerships: HEIs often face challenges in establishing sustained collaborations with industries. This results in fewer opportunities for internships, guest lectures, and collaborative projects.

Disconnect in Expectations: Industries may not see immediate benefits in collaborating with HEIs, leading to minimal engagement in curriculum design or training programs.

- **Rigid Academic Structures:**

Delayed Curriculum Updates: The process of revising curricula to incorporate emerging industry trends is often slow due to bureaucratic hurdles and regulatory requirements.

Focus on Theoretical Learning: Many institutions prioritize traditional academic approaches over experiential and skill-based learning, leaving students underprepared for the job market.

- **Lack of Feedback Mechanisms:**

HEIs rarely incorporate systematic feedback from alumni, employers, or industry experts to refine their programs, resulting in outdated course content and teaching methods.

- **Student Demographics and Accessibility:**

In Mumbai's suburban regions, many students come from economically disadvantaged backgrounds. This limits their access to additional resources like certification programs or skill enhancement workshops that could improve employability.

- **Policy and Administrative Challenges:**

Regulatory Compliance: Adhering to national and state-level educational policies often diverts resources and focus from innovation in teaching and learning.

Overburdened Faculty: Faculty members are often tasked with administrative responsibilities in addition to teaching, leaving little time for industry engagement or skill development initiatives.

- **Resistance to Change:**

Institutional inertia and reluctance to adopt new pedagogical methods or technologies further exacerbate the challenges faced by HEIs.

7. STRATEGIC RECOMMENDATIONS

Survey Insight: Respondents suggested integrating skill-based training and expanding internship programs.

Proposed Strategies:

1. Revise curricula to include emerging industry trends.
2. Foster partnerships with local industries for internships and live projects.
3. Implement faculty development programs to bridge teaching-learning gaps.
4. Introduce career counseling and employability workshops for students.

8. LIMITATIONS OF THE STUDY

1. Limited Scope of Data Collection
2. Subjectivity in Programme Outcome Attainment (POA) Evaluation
3. Challenges in Measuring Employability Gap
4. Industry-Academia Collaboration Assessment
5. Institutional Challenges and Biases
6. Dynamic Nature of Industry Requirements
7. Dependence on Secondary Data and Surveys
8. Time and Resource Constraints
9. Resistance to Change in HEIs
10. Focus on Undergraduate Programs Only

9. CONCLUSION

The study underscores the importance of aligning programme outcomes with industry requirements to bridge the employability gap. HEIs must adopt a multi-faceted approach involving curriculum reforms, robust industry collaborations, and targeted skill development initiatives. Addressing these challenges will enhance graduate employability and contribute to the socio-economic development of the region.

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CHALLENGES IN EFFECTIVE PERFORMANCE MANAGEMENT & HOW TO OVERCOME THEM

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CHALLENGES IN EFFECTIVE PERFORMANCE MANAGEMENT & HOW TO OVERCOME THEM

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Performance management is a critical aspect of any organization's success. However, it is not without its challenges. Effective performance management involves setting clear goals aligned with organizational objectives, providing ongoing feedback and coaching, regularly monitoring progress, recognizing achievements, and addressing performance issues promptly, all while fostering a culture of development and improvement to maximize employee potential and achieve business results.
Key aspects of effective performance management:

- **Goal setting:**

Establishing SMART (Specific, Measurable, Achievable, Relevant, and Time-bound) goals to provide clear expectations and direction for employees.

- **Regular feedback:**

Giving frequent, constructive feedback to employees on their performance, both positive and areas for improvement, to guide their development.

- **Performance monitoring:**

Actively tracking progress towards goals and identifying potential issues early on to provide timely support.

- **Coaching and development:**

Providing opportunities for learning and growth through coaching, training, and mentorship to help employees reach their full potential.

- **Recognition and rewards:**

Acknowledging and celebrating employee accomplishments to motivate and maintain high performance.

- **Open communication:**

Fostering a trusting environment where employees feel comfortable discussing their performance and challenges with their manager.

- **Alignment with organizational strategy:**

Ensuring individual and team goals are aligned with the overall strategic objectives of the company.

- **Addressing performance issues:**

Identifying and addressing underperformance promptly through corrective actions and support mechanisms.

Important elements of an effective performance management system:

- **Performance planning:** Setting clear expectations and goals at the beginning of a performance period.
- **Performance reviews:** Conducting regular formal performance reviews to assess progress and provide feedback.
- **Performance development plans:** Creating individualized development plans based on performance feedback and employee needs.
- **Performance rating:** Evaluating employee performance against established criteria.
- **Performance rewards:** Linking performance outcomes to appropriate rewards and recognition.

Effective Performance Management Systems

Effective performance management. Those three words represent something every organization desires. Without driven, well-performing employees, businesses cannot hope to realize their full potential. Existing performance management systems usually require setting annual performance goals, entailing a lengthy and labor intensive review process that may result in disengaged employees. This process isn't effective; annual goals become stale quickly, and retroactive reviews leaves little room for employees to course-correct.

Today, performance management is transitioning into a real-time method of communicating with employees, enabling managers to steer them toward expected performance and output. Thanks to an improved understanding of employee motivation, current performance management platforms and systems have come to fill the void created by the largely broken traditional methods.

The following 5 elements that any modern PMS must feature:

5 Keys to Effective Performance Management

1. Goal Setting – the Right Way

As aforementioned, the staple of traditional (and now outdated) performance management systems is centering around annual (and less at times biannual) goals. These goals tend to age, and rendered irrelevant by the time it is time to assess performance. Paired with forced rankings, they can create a toxic outcome.

This is why many leading companies, including Google, LinkedIn, Intel and others, have transformed their goal-setting by successfully adopting the **OKR** (Objectives and Key Results) technique. OKRs work on team, organizational, and individual levels, whereby each level states ambitious objectives and sets key-results each quarter. Key-results are quantifiable measurable milestones for achieving goals. Any individual's objectives and key-results are visible to others. This creates a new degree of transparency, impartiality, and

clarity; employees are able to identify areas they need to focus on and gain an understanding as to how they will contribute to overall corporate targets. After formalizing goals and results, employees and units are measured on their ability to deliver. As objectives are generally ambitious, everyone needs to try hard.

An important thing to note is that goals are personalized. Each goal fit individual employees' roles and capabilities and are not a generalized idea of what employees are supposed to do.

2. Collaboration & Communication

Competition does not prove to be an effective motivating factor for everyone. Good performance management systems foster communication and collaboration instead of just focusing on competition. They motivate employees to share information, assist in highlighting activities that make certain individuals successful and use them as a reference for the rest of the workforce. Additionally, they measure activities that breed success instead of measuring success retroactively, and prompt employees to communicate with their peers and managers to train, learn and get support.

3. Feedback/Review

As mentioned above, employees feedback in the form of annual performance management reviews can be ineffective, since goals have managed to age over the year, making the dialogue both threatening and irrelevant.

Instead, new performance management tries to give feedback in real-time, so it is relevant and gives employees an opportunity to correct. These new systems measure KPIs in real-time, based on data harvested from the company's operating systems. They then utilize it to empower meaningful regular feedback, like a fitness-tracker for work.

4. Recognition

An effective performance management system should be tied to recognition. Never underestimate how much people care about recognition, and how important it is to create a positive sense of achievement at work; it can even reduce turnover rates.

5. Development

In addition to being agile, personalized, and firmly focused on powering ongoing productivity, performance management systems must encourage employee *development.* This will come in the form of offering users continuous learning opportunities and new ways of gathering reliable, work relevant information. An effective system must be linked to learning and allow employees to enhance their capabilities.

In Short

In order for a performance management system to be truly effective, it needs to achieve the following:

- Be engaging in a way that leads to maximum user buy-in.
- Allow employees to constantly monitor their performance, and managers to run the system continuously and not periodically, like a fitness-tracker for work

- Be considered fair and objective
- Allow employees to develop and learn

Finally, it is important to realize that an effective PMS is no replacement for good managers who know how to communicate goals and performance. A good system however, with the right tools set in place, will help good managers make the most of their employees and help drive employees' business results instead of just keeping employees' busy.

Performance management can face a number of challenges, including:

- **Lack of employee engagement**

When performance plans are unclear, employees may not understand how their work contributes to the organization's goals.

- **Communication gaps**

Poor communication can lead to misunderstandings and unmet expectations between managers and employees.

- **Inadequate feedback**

Insufficient feedback can leave employees uncertain about their contributions.

- **Lack of leadership support**

Management and leadership teams need to be committed to performance management and actively engage with their teams.

- **Lack of integration**

Performance management systems should be linked to the organization's strategic planning, human resource management systems, and other significant systems and procedures.

- **Procrastination**

Conversations about performance can be delicate, and apprehension can lead to avoidance of addressing performance issues.

- **One-way communication**

Managers should analyze the actual status and progress of employees, rather than just expressing what they hear.

HOW TO OVERCOME CHALLENGES OF PERFORMANCE MANAGEMENT

1. Lack of Clear Goals

Employees often feel lost due to unclear expectations, which can lead to frustration and underperformance.

Start with SMART goal-setting to provide a clear roadmap for your team. These goals must align with the broader organizational strategy and be communicated clearly.

- **Specific:** Goals should be clear and specific to avoid confusion about what is expected. For instance, instead of saying "improve sales," a specific goal would be "increase sales of Product X by 10%."
- **Measurable:** You should be able to measure progress towards the goal. In the example above, the 10% increase is a measurable target.
- **Achievable:** The goal should be attainable given the resources and time available. Setting a goal to double sales in a week might not be achievable, but increasing sales by 10% over the quarter could be.
- **Relevant:** The goal should align with broader business objectives. If the company's focus is to expand market share for Product X, then increasing its sales is relevant.
- **Time-bound:** There should be a deadline to focus efforts and create a sense of urgency. Continuing with the same example, aiming for a 10% increase in sales by the end of the quarter provides a clear timeframe.

This way, everyone on your team knows exactly what part they'll play in achieving these goals. This clarity helps employees focus their efforts and significantly enhances engagement and productivity.

2. Keeping Feedback Frequent and Fair

Feedback is often limited to annual reviews, leaving employees in the dark about their performance throughout the year.

Companies that adopt continuous performance feedback significantly outperform competition at a 24% higher rate.

Switch from yearly to regular feedback sessions to keep your team engaged and improving. Here's how you can make it happen:

- **Set a Schedule:** Switch to monthly or quarterly feedback sessions to keep everyone in sync and responsive.
- **Train Managers:** Equip managers to offer specific, actionable feedback, not just general comments.
- **Encourage Two-way Communication:** Foster discussions where employees can also share their thoughts and concerns.
- **Document Feedback:**Record details from feedback sessions to track changes and revisit key points later.

3. Tackling Bias in Evaluations

Personal biases can skew evaluations, resulting in unfair and inaccurate assessments. This issue arises when feedback is overly influenced by individual opinions rather than objective performance metrics.

To combat this and bring more fairness into the evaluation process, consider these approaches:

- **Implement 360-Degree Feedback:** This method involves gathering feedback from all directions—peers, subordinates, supervisors, and sometimes even clients. By incorporating multiple perspectives, you can get a fuller, more accurate picture of an employee's performance.
- **Use Multiple Raters:**Don't rely on just one person's viewpoint for performance evaluations. Multiple raters can dilute individual biases' impact and lead to more balanced results.
- **Standardize Evaluation Criteria:**Ensure that everyone is evaluated against the same set of clear, objective criteria. This reduces the room for subjective judgment and helps maintain consistency across all evaluations.

4. Stagnant Tools Can Also Stagnate Your Performance Management

Many companies struggle with outdated performance management tools that make the evaluation process inefficient and frustrating for both managers and employees. The

traditional systems are often inflexible, costly, and can actually demotivate your staff. According to Deloitte, 70% of organizations are updating or have recently reviewed their performance management systems.

You, too, should invest in modern, user-friendly performance management software that integrate seamlessly with other HR tools. Look for features that facilitate real-time feedback and customizable evaluation metrics.

If you're struggling with outdated performance management tools, PeopleStrong lets you easily set up clear goals and OKRs that align with your business aims. Its performance management system provides features like continuous feedback and 360-degree reviews right at your fingertips.

With People Strong, you can:

- Stay updated with real-time performance tracking.
- Simplify your performance management for smoother operations.
- Focus more on your team's growth and less on manual processes.
- Boost your business's success through effective management tools.

5. Lack of Employee Engagement

Often, employees feel disconnected from the performance management process, seeing it as a

routine exercise rather than a meaningful part of their career growth.

Remember, companies with higher-than-average employee engagement achieve 27% higher earnings and 38% more productivity.

This is why maintaining higher employee engagement is extremely crucial for your company. Here's what you can do:

- Involve your team in setting their own goals to increase their commitment and relevance.
- Align these goals with each team member's career aspirations to keep them motivated and connected to their work.

6. Poor Communication Can Create A Negative Impression On Your Employees

Misunderstandings and unmet expectations are common consequences of communication gaps between managers and employees. Without clear and consistent communication, it's easy for both parties to become misaligned on goals, expectations, and feedback.

And it directly impacts your overall productivity. This performance management issue often stems from infrequent or ineffective communication, where crucial details are either overlooked or not conveyed understandably.

To bridge these gaps, you must build a setup that ensures that both managers and employees stay on the same page throughout the performance management cycle. Here's how to go about it:

- Set up open channels for communication to ensure everyone's always in the loop.
- Encourage regular check-ins to keep goals, expectations, and feedback aligned.
- Hold frequent meetings to discuss progress and tackle any issues head-on.
- By keeping communication clear and consistent, you'll reduce misunderstandings and keep your team moving smoothly.

7. Integration with Other HR Processes

Often, performance management is seen as a standalone activity, disconnected from other crucial HR processes. This siloed approach can limit its effectiveness and the overall strategic impact on an organization.

To maximize performance management's impact, it's essential to integrate it with other HR functions, such as talent acquisition, learning and development, and succession planning. This creates a seamless strategy that supports an employee's journey from recruitment to development and future planning.

PeopleStrong facilitates this integration beautifully. Their comprehensive platform includes recruitment, onboarding, core HR activities, payroll, performance management, and more modules. With PeopleStrong, you can:

- Link your team's achievements directly to their next learning steps so they keep growing.
- Use smart analytics to make better HR decisions that matter.

- Plan ahead for who's next in line to lead with an integrated system for performance and succession planning.
- Keep everyone on the same page and move towards the same goals while syncing career paths and objectives.
- Cut through the clutter with streamlined communication and processes across all HR activities.

8. Overemphasis on Quantitative Metrics

There's a common trap in performance management where the focus leans heavily on numbers. This often leads to neglecting the qualitative aspects that paint a fuller picture of an To fix this imbalance, it's important to mix quantitative metrics with qualitative assessments. Here's how you can make it work:

- **Incorporate Peer Reviews:** Let team members provide feedback on each other's performance. This adds depth to the understanding of how someone contributes beyond sales figures or completed tasks.
- **Encourage Self-Assessments:** Give employees a chance to evaluate their own work. This helps them reflect on their strengths and areas for improvement and provides valuable insights to managers about employee perceptions and challenges.

As We Conclude

When it comes to performance management, it's all about getting it right—setting clear goals, communicating better, and making sure everyone's on the same page.

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Research Paper on Impact of False Marketing Strategies and Consumer Loyalty with Special Reference to Leading Brands in the FMCG Sector

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Research Paper on Impact of False Marketing Strategies and Consumer Loyalty with Special Reference to Leading Brands in the FMCG Sector.

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Abstract - This research paper examines the impact of false marketing strategies on consumer loyaltyon leading brands in the FMCG (Fast-Moving Consumer Goods) sector. False marketing, including misleading advertisements, aggressive marketing techniques and exaggerated claims, often influences consumer perception but may erode trust over time. Leading FMCG brands are scrutinized to understand the effects of such strategies on consumer purchasing behaviour and brand loyalty.This study identifies the significant repercussions of deceptive marketing on the consumer-brand relationship. Data collection was conducted via surveys, and findings indicatefalse marketing not only leads to consumer disillusionment but also prompts a shift towards brand-switching behaviour

Keywords: False marketing, consumer loyalty, FMCG brands, misleading advertisements, brand trust.

I. Introduction to the Topic

The relationship between consumers and brands has evolved remarkably over the past few decades, with brand loyalty emerging as a pivotal facet of consumer behaviour. Leading brands invest substantial resources in marketing strategies aimed at attracting and retaining loyal customers. However, the prevalence of false marketing claims presents a

Paradox in consumer-brand loyalty. False marketing, which includeshidden terms,

Deceptive pricing, misleading advertisements, and overstated product capabilities, can erode consumer trust and damage brand reputation. While such strategies may yield short-term benefits, they often damage long-term consumer trust and loyalty. This research explores how such practices affect loyal customers and the consequent implications for brand equity with an emphasis on leading FMCG brands.

II. Review of Literature

1. Smith & Taylor (2018) highlight the ethical implications of false advertising and its effect on consumer trust. (pg no. 56-59).
2. Gupta & Sharma (2020) found that misleading claims in the FMCG sector have a direct negative impact on repeat purchases (pg no. 112-114).
3. Khan et al. (2021) discuss the role of consumer awareness in mitigating the effects of false marketing (pg no. 133-135).
4. Patel (2022) emphasizes the need for regulatory frameworks to curb false claims and protect consumer interests (pg no. 200-203).

III. Objectives

1. To analyse the prevalence of false marketing strategies in the FMCG sector.
2. To assess the impact of these strategies on consumer loyalty.
3. To identify consumer perceptions and responses to misleading marketing practices.

IV. Hypothesis

H0: Null Hypothesis
False marketing strategies have no significant impact on consumer loyalty.
H1: Alternative Hypothesis
False marketing strategies have a significant negative impact on consumer loyalty.

V. Limitations of the Study

1. The study is restricted to leading FMCG brands in urban markets.
2. Limited sample size due to time constraints.

3. Data relies on self-reported consumer behaviour, which may introduce bias.

VI. Research Methodology

Research Design: Descriptive and analytical.
Data Collection: A structured questionnaire distributed to 100 respondents across urban areas.
Sampling Technique: Convenience sampling and Random Sampling for consumer surveys, ensuring diversity in age, gender, income, and geographic location.

VII. Data Analysis

Tools - Statistical tools such as percentages, and mean.

Quantitative Data Analysis:

- Use of statistical tools like Excel for analysis of survey responses.
- Descriptive statistics to understand general trends in consumer behavior.
- Regression analysis to determine the relationship between false marketing strategies and consumer loyalty.

Qualitative Data Analysis:

- Thematic analysis of interview transcripts to identify recurring themes related to the impact of false marketing on consumer perception and loyalty.
- Content analysis of marketing campaigns and advertisements to determine how misleading information might affect consumer trust.

VIII. Suggestions and Recommendations

1. FMCG brands should adopt ethical marketing strategies to build trust.
2. Regulatory bodies should enforce stricter guidelines for advertising.
3. Brands should prioritize transparency in product labelling and claims.

IX. Conclusion

The findings of this study suggest that **false marketing strategies** significantly impact consumer loyalty, particularly in the highly competitive FMCG sector. Transparency, ethical marketing practices, and timely corrective actions are essential for maintaining consumer trust. Brands must be aware of the long-term implications of engaging in false marketing, as social media and word-of-mouth can amplify negative perceptions quickly.

FMCG brands should prioritize honesty and consumer trust to sustain their market position, improve customer retention, and foster brand loyalty. Further research is recommended to explore the long-term recovery of brands after false marketing campaigns, as well as consumer behaviour trends in different demographic segments.

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XI. Key Insights:

Transparency is critical: Consumers value transparency in marketing and false marketing leads to a loss of trust and a decrease in consumer loyalty.

Corrective Actions Matter: Apologies and corrective measures can help brands recover from false marketing, but consumer loyalty is not easily regained.

Social Media Influence: Negative feedback on social platforms can accelerate the loss of brand trust, as it leads to broader consumer awareness of false marketing practices.

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THE IMPORTANCE OF EMPLOYEE WELL-BEING IN THE WORKPLACE AND STRATEGIES TO ENHANCE EMPLOYEE WELLNESS

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THE IMPORTANCE OF EMPLOYEE WELL-BEING IN THE WORKPLACE AND STRATEGIES TO ENHANCE EMPLOYEE WELLNESS

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ABSTRACT:

Employee well-being has emerged as a critical factor in modern workplaces. This abstract explores the multifaceted dimensions of employee well-being, encompassing physical, mental, emotional, and social aspects. It delves into the profound impact of well-being on individual employees, highlighting its correlation with increased job satisfaction, reduced stress, improved productivity, and enhanced creativity. Furthermore, the abstract emphasizes the positive ripple effect of employee well-being on organizational success, including reduced absenteeism, lower turnover rates, and a stronger employer brand. By fostering a culture that prioritizes employee well-being, organizations can cultivate a more engaged, resilient, and high-performing workforce, ultimately driving sustainable growth and success. Employee well-being is an important aspect of a healthy workplace and organisation. Companies that support employee well-being make it easier for them to handle stress while still maintaining a happy and productive work environment. Mental and physical health, as well as more complicated issues like satisfaction and engagement levels, are all examples of well-being. In this context, the study attempts to explore the concept of Employee Wellbeing.

An employee is a person who is hired by an employer to perform a specific service.

Employees normally have a specified pay rate and a written or implied employment contract with the group they work for. Employee wellness has aroused as an important factor in organizations success, affecting productivity, engagement, and overall company culture. This abstract indulges in understanding key requirements for enhancing employee well-being, stressing on a holistic approach that concerns physical, mental, emotional, and social dimensions. By following an extensive wellness program that concerns the diverse needs of employees, organizations can attain a healthier, satisfactory, and more responsible work environment. Applying employee well-being not only helps employees but also caters to the organization's overall benefit.

A substantial employee wellness strategy should inculcate a holistic methodology, combining physical, mental, psychological and social well-being by supporting healthy and nutritious lifestyle choices through reachable programs, flexible work arrangements, assistive leadership, and open communication channels, thereby encouraging a positive work culture that stresses employee health and negates stress, proving rising productivity, engagement, commitment and overall workforce satisfaction and excellence.

INTRODUCTION:

Employee well-being is your employees' overall mental, physical, emotional, and financial health. It involves many factors — some are personal, while the companies control others. Ultimately, it is up to an organization to ensure they are doing what they can to protect employee well-being. Top Workplaces leaders understand its importance and believe a people-centric culture is critical to well-being initiatives.

Types of employee well-being:

Social wellness

Employees with high levels of social well-being feel more connected and engaged with their work. Factors that impact social well-being include confidence, connection, energy, interpersonal communication, and motivation. Encouraging interdepartmental social events and flexible time off is a great way to boost your employees' well-being.

Social wellness is always vital to monitor, but it's especially crucial in today's environment. The new world of remote and hybrid work makes it especially important to check in with employees about their social wellness. Companies and employees are still learning how to socialize remotely, so be sure to communicate transparently about how things are going.

Physical wellness

Your employees' physical health and well-being play a significant role in performance and productivity. When employees are healthy and feel great perform their best work. Physical wellness can also reduce the number of sick days employees need to take.

Well-being initiatives that can boost physical wellness include:

- Comprehensive health insurance
- Gym memberships
- Nutrition education
- Physical therapy services

Financial wellness

According to the U.S. Consumer Financial Protection Bureau, financial wellness is achieved when individuals can meet their financial obligations while feeling secure about their financial future. Those who are financially well also have the ability to make choices that allow them to enjoy life.

Examples of financial wellness include:

- Being educated about sound financial decisions.
- Budgeting and limiting spending within one's means.
- Being prepared for unexpected financial emergencies.
- Planning for future expenses and necessities.

Financial security helps employees feel happier, healthier, and more secure.

Emotional wellness

The National Centre for Emotional Wellness defines emotional wellness as "an awareness, understanding, and acceptance of our feelings, and ability to manage effectively through challenges and change."

Emotional wellness impacts many different areas of an individual's life, including relationships, work, and school. When employees suffer, they are more likely to experience ill effects, including hypertension, weakened immunity, and concentration issues.

Here's how you can help employees to improve their emotional wellness:

- Practicing mindfulness and being present
- Building relationships and connecting with others
- Managing and reducing stress levels
- Encouraging better work-life balance and personal time off

Environmental wellness

Environmental wellness refers to an individual's sense of safety, comfort, and connection with their surroundings. This includes interactions with others and workplace culture. To identify potential issues related to environmental wellness, find opportunities to listen to your employees and take action on their feedback. Creating a healthy, supportive environment with open communication encourages employee well-being, boosting work efficiency and performance.

Employee wellness has become a major factor for successful organizations. It's no longer just a under estimated concept; it's a strategic requirement that drives productivity, engagement, commitment, passion and overall business excellence.

Why is Employee Wellness Important?

- **Ever rising Productivity:** Healthy employees are more focused, concentrative, energetic, hardworking, committed and less likely to suffer from burnout and exhaustion.

- **Dipping Absenteeism:** By treating health conditions effectively companies can reduce sick days and keep up a consistent and capable workforce.
- **Rising Employee Self Confidence:** When professionals consider themselves important and motivated in their overall well-being, they enjoy improved work satisfaction and merited loyalty.
- **Excellent Company Culture and Methodology:** A stress on employee wellness supports a positive, matured and supportive work ambience, encouraging, growing and retaining top talent and supporting skilfulness.
- **Mitigating Health Related Expenses:** Supporting healthy qualities can help drastically reduce health related costs for both employees and the organizations.

Key Dimensions of Employee Wellness:

- **Physical Wellbeing:** This consists regular exercise, healthy nutrition, sound sleep, and effective ergonomics.
- **Mental or Psychological Wellbeing:** This encompasses stress management, emotional balancing, and mental related health support resources for a healthy mental condition.
- **Social or Societal Well-being:** This stresses on supporting social connections and relationships, consisting of both inside and exterior to the work environment.
- **Financial or Economic Well-being:** This consists of financial security or financial independence, debt management, and retirement planning.

OBJECTIVES OF THE STUDY

Reducing Health Care Costs:

Objectives to help an organization reach their goal of reducing healthcare costs that fit into the SMART framework could include:

- Organizing exercise challenges and prizes each month with at least 50% of employees participating
- Reducing the number of employees who smoke by X% each year quarter

- Providing healthy brain foods in the lunchroom twice a week for employees or gift cards to healthy restaurants to remote employees
- Provide vaccination clinics at your workplace

Reducing Absenteeism:

Objectives to help an organization reach their goal of reducing absenteeism that fit into the SMART framework could include:

- Allow employees to work remotely or in-office three days a week
- Consider improvement to the workplace environment, such as more natural light, adding plants or artwork to make it more attractive
- Run health screening clinics to help employees identify health issues early

Increasing Employee Productivity and Engagement:

Objectives to help an organization reach its goal of increasing employee productivity and engagement that fit into the SMART framework could include:

- Organizing peer-to-peer learning groups to discuss challenges and find solutions
- Give employees a learning stipend
- Workplace mentorships are an example of a low-cost, high-value employee development program

Increasing Retention Rates:

Objectives to help an organization reach its goal of increasing retention rates that fit into the SMART framework could include:

- Connect X% of employees into a mentoring program as it reduces turnover.
- Interview those employees who have decided to leave to narrow down why they weren't happy.

Improving Employee Morale:

Objectives to help an organization reach its goal of improving employee morale that fit into the SMART framework could include:

- Introduce mental health mentoring to expand understanding of different conditions and treatment options
- Provide access to professional counselling as part of an employee's health and benefits package
- Organize a fitness competition between teams or departments in the organization
- Offer financial incentives for employees such as student loan repayment options, pension plans, or life insurance policies. Employees who meet certain requirements can take out loans and repay them through payroll deductions.

Attracting New Employees:

Objectives to help an organization reach its goal of attracting new employees that fit into the SMART framework could include:

- Create an on-site gym
- Promote the use of alternative transportation, such as providing bus passes for employees or bike-sharing programs
- Plan wellness adventures for employees to play a game a local mini-golf or laser tag together

To thoroughly understand the present condition of Employee Wellness:

- **Evaluate present employee health conditions and overall well-being:**
    - Assess employee perceptions or ideologies of stress, work satisfaction, work-personal life balance, and overall well-being.

- Inspect employee health information (if available) such as biometric screenings, health risk check-up, and claims data.

- **Observe prevalent wellness activities and health initiatives:**
  - Assess the advantages of present programs helpful in addressing employee requirements.
  - Find out employee participation rates and levels of satisfaction with prevalent programs.

To Find out and Assess Quality Oriented Wellness Strategies:

- **Investigate and assess a wide range of wellness strategies:**
  - Investigate evidence-based explorations in domains such as physical exercises, healthy nutrition, stress control, mental wellbeing, and financial soundness.
  - Take an account of the possibility and cost-effectiveness of various strategies inside the specific organizational boundaries.
- **Find out employee tastes and requirements:**
  - Hold surveys or focus groups to inspect employee taste and priorities attached to wellness programs.
  - Observe specific areas or domains where professionals think they need the most support or motivation.

To Improvise and Hold Effective Wellness Programs:

- **Improvise and hold a comprehensive wellness program:**
  - Sketch and execute a program that connects the identified needs and likings of professionals.
  - Make sure the program is easily accessible (attainable), inclusive (made for them only), and engaging (specifically designed) for all professionals.
- **Supervise and assess program effectiveness:**

- Track key metrics or performance criteria's such as health outcomes, employee participation rates and return on investment.
- Frequently assess the program and make corrections as required based on data, information and employee feedback.

To Support a Methodology of Wellness:

- **Support a methodology of good health and overall well-being:**
  - Motivate leadership buy-in and active involvement in wellness initiatives and other activities.
  - Create a supportive and highly motivating work environment that stresses employee positivity.
  - Exchange the vitality of wellness to all professionals and celebrate mutual successes.

To Exchange the Vitality of Wellness:

- **Explain the return on investment (ROI) of wellness programs:**
  - Search and exchange the result of wellness initiatives on key business outcomes such as productivity, health related costs and employee engagement.
  - Develop a business related case for continuous investment in employee wellness.

By following these objectives, a study on strategies to enhance employee wellness can extend valuable insights into how to provide a healthier, happier, and more productive work environment.

STATEMENT OF THE WORK

What Makes A Wellness Program Successful?

To be successful, a workplace wellness program needs to have several factors, such as a communication plan, management support, and incentives for involvement.

Management Support

For a wellness program to be successful in the workplace, it needs to be promoted by managers and company leadership. Ensure that company leaders are informed about various aspects of the wellness program, including what is offered, why it is being offered, and how they can encourage employees to participate. Encourage managers not only to tell employees about the program but to get involved themselves.

Communication Strategy

A wellness program is great, but it won't result in anything if employees don't know about it or understand what is included. It's important to have a promotion strategy for your wellness program to inform employees at all levels about aspects of the program, planned activities, benefits to them for getting involved, and how to participate.

Wellness Committee

To oversee your wellness program, create a committee to be responsible for planning activities, promoting activities, educating employees and managers about the program, and evaluating the program. As the program runs, the committed is should evaluate it periodically to see if any changes need to be made. It can help you know what works and what doesn't, and also when to shift gears.

Incentives

A healthy lifestyle should be its own reward, but changing habits is hard. Consider offering some incentives to employees to encourage them to get involved. These don't need to be monetary, but rather something tangible that they can receive. Some examples include a special parking space, extra time off, massage or beauty gift certificates, awards, certificates, etc.

Health costs, absenteeism, high turnover rates can cost your business a significant amount of money. Workplace wellness activities, such as fitness challenges, health screening, education programs, and mentorships, can help reduce employees' stress and loss of motivation. A successful wellness program at your organization can improve the lives of your employees and the growth of your business.

Why does employee well-being matter?

With employees stretched thin and overloaded at work, a focus on employee well-being is more important than ever. Employee well-being has a direct impact on productivity and performance. It's also an effective way to prevent employee burnout, which is one of the primary reasons why employees leave.

Benefits of employee well-being

Employee well-being is an investment in your company's future. Leaders who prioritize can also:

- Improve company culture.
- Boost employee morale.
- Improve employee engagement and satisfaction.
- Build a better brand reputation.
- Improve employee retention and reduce turnover.
- Increase creative and innovative thinking.
- Reduce absenteeism and healthcare costs.

When companies express genuine concern for the well-being of their workforce, individuals are more loyal, motivated, and willing to recommend their workplace to others — and all of these are signs of engaged employees.

Obstacles that hinder employee well-being

Many barriers can impact employee well-being and increase workplace burnout. Recent Top Workplaces research identified several challenges affecting employee well-being:

- Unrealistic work expectations.
- Staffing and workloads.
- Lack of senior leader involvement in well-being efforts.

- Poor communication.
- Inability to measure the effectiveness of well-being initiatives.

Why is the well-being of employees important?

Beyond showcasing genuine care for the happiness of your workforce, employee well-being is paramount because it can positively or negatively affect a business. Here are five reasons you should consider investing in the well-being of your employees and, by extension, your overall organization.

Increases employee retention

Satisfied employees don't vacate roles as quickly as those who are unsatisfied. Individuals who feel happy in their current role, with a healthy work-life balance, advancement opportunities, and a positive work culture, are more likely to stay with their employer. For businesses, this increased employee retention can also mitigate the need for extra training and onboarding costs for new employees.

Boosts employee productivity and motivation

Focusing on employee well-being can lead to increased motivation and productivity. There is a reason work songs were a widespread phenomenon at one point—they boosted employee morale and increased production rates.

You don't need a catchy tune in your workplace, though. Instead, focus on implementing well-being initiatives that increase satisfaction and motivate employees.

Provides a better customer experience

Well-being doesn't stop with employees—it can also have a far-reaching effect on customers. Happy employees bring their attitude to the work environment, which can improve the customer experience.

Enhances brand reputation

Well-being can enhance a brand's reputation, making it more appealing to potential new team members, clients, and customers. According to Jobvite, businesses with strong company values are more likely to attract top talent.

Customers are also sensitive to how brands treat employees, with most preferring to do business with companies they feel have positive, humane core values.

Improves employee satisfaction and engagement

Well-being initiatives can improve employee satisfaction and engagement. When employees are more engaged at work, they are more likely to contribute to a healthy work culture. A culture with communication and respect helps employees feel more valued and promotes better team collaboration.

When employees are satisfied and engaged, you will see their best work.

The 5 pillars of employee well-being

The five pillars of employee well-being can be good guidelines for establishing a healthy and supportive workplace.

1. **Career well-being** focuses on employees' ability to grow and advance in their careers. You might provide training programs or other resources to help employees reach their goals.

2. **Social well-being** emphasizes the importance of the relationships between people in a workplace. Encourage team-building exercises or social gatherings to help employees bond.

3. **Financial well-being** refers to an employee's economic stability. Offer competitive salaries and benefits to support your staff's well-being.

4. **Physical well-being** revolves around an employee's physical health. Consider including additional healthcare benefits or offering nutritious snacks in the breakroom.

5. **Emotional well-being** is all about your employees' mental health. You might allow time for mindfulness programs and provide more flexible working conditions.

By better understanding the five pillars, teams can brainstorm and focus on areas that contribute to employee mental and physical health.

How to measure the well-being of employees

You can measure employee well-being over time using proper methods and available software tools. You may also opt for direct feedback from your workforce. Here are a few tactics you can use to measure the well-being of employees.

Use reporting and analytics tools

Reporting and analytics tools can help businesses summarize large amounts of employee data to gain a deeper understanding of well-being. You can visualize metrics, such as variations in productivity, to identify correlations between employee initiatives and recent changes.

For instance, analytics tools can visualize employee vacation days or sick leave. If you can see how often employees submit these requests, you can get a better sense of their work-life balance.

Metrics can also provide insights into the employee experience. If your IT or HR departments receive recurring ticket requests, for example, that may indicate your workforce is encountering friction with a poor tech stack or unclear workplace policies.

Send out employee satisfaction surveys

Employee satisfaction surveys—and that measure employee engagement—are a great way to measure your employees' well-being in the workplace.

Businesses can turn collected data into action by continuing effective initiatives or discontinuing those deemed ineffective. Continuing from our previous IT and HR ticketing example, sending out a satisfaction survey after resolving a ticket may be beneficial to understanding how supported employees feel.

A business should carry on with a well-being initiative if positive metrics are observed, such as increased productivity or decreased employee turnover. Otherwise, decision-makers should consider investing in a different wellness program that may have a better impact.

Collect employee feedback

Speaking to your employees can give you the most detailed feedback. Setting up regular one-on-one meetings between staff and their managers is a good option for qualitative data collection. However, you must cultivate a safe space where team members can share ideas and opinions openly. It's also important to ensure employees feel comfortable contacting HR to provide feedback when necessary.

Alternatively, you can send anonymous surveys. Employees may feel more comfortable giving honest answers, so you can receive genuine responses.

Analyse employee turnover

If your business is experiencing high employee turnover, it may indicate that you need to improve employee well-being initiatives. Employees tend to stay with companies when their well-being is positive, so turnover can be the alarm that signals something is wrong.

As you implement well-being initiatives, monitor employee turnover by comparing the average employee retention time between onboarding and offboarding. If you improve well-being, the average employee retention time should increase.

Examine employee engagement

Employee engagement rates are bound to decrease if workplace well-being is struggling. Gathering employee motivational level metrics—such as how often they participate in optional culture initiatives or their willingness to take on another task—is an excellent way to understand their mind set and prevent burnout.

Another common sign that employee engagement is suffering is increased absenteeism, which could indicate a lack of motivation to work. An employee engagement platform can help you tackle absenteeism and low engagement rates. This tool is designed to enhance the employee experience while increasing organizational efficiency.

LITERATURE REVIEW-

This literature review explores key strategies and their supporting evidence for enhancing employee wellness.

Key Dimensions of Employee Wellness

- **Physical Health and Well Being:**
    - **Physical Activity or Regular Exercise:** Studies have repeatedly shown that undergoing continuous physical activity or exercises through on-site gym facilities,

fitness challenges and subsidized memberships in physical activity center's progresses towards improved employee health, dipping absenteeism, and higher energy levels (e.g., Lee et al., 2019).

- **High Nutrition:** Providing supply to healthy yet tasty food variations, holding nutrition educational programs, and supporting healthy consuming qualities can significantly affect employee health and overall well-being (e.g., Brownell et al., 2003).
- **Ergonomics:** Creating ergonomically sound and safe work environment can shield against musculoskeletal injuries and enhance employee comfort and usher productivity (e.g., Marras et al., 1995).

- **Mental Health and Psychological Well Being:**
  - **Stress Management and its Control:** Mindfulness and Rejuvenating programs, regular yoga classes, and stress management workshops have been proven to decrease high and alarming stress levels, improvise emotional regulation, control psychological burdens and highlight overall well-being (e.g., Kabat-Zinn, 1990).
  - **Mental Health Resources and its Management:** Providing control to mental health professionals or eminent psychologists through Employee Assistance Programs (EAPs) is vital for treating mental health conditions and decreasing stigma (e.g., Kessler et al., 1996).
  - **Flexible Work Arrangements and Work Environmental Ambience:** Providing adjustable work schedules or timetables, remote work options, and generous or lenient time-off policies can upgrade work-life balance and decrease stress levels (e.g., Allen & Nyberg, 2000).
- **Social or Societal Well-being:**
  - **Social Connection or Societal Relationships:** Upgrading social connections via team-building strategies, social events or gatherings, and volunteer exclusive opportunities can enhance employee morale, reduce loneliness or being introvert, and develop overall job satisfaction (e.g., Christakis & Fowler, 2009).

- **Community Involvement mixing among people:** Motivating professionals to participate or indulge in community service activities can uphold a sense of purpose or direction and promote social responsibility with duty consciousness (e.g., Penner et al., 2005).

- **Financial or Economic Well-being:**
  - **Financial Wellness Programs:** Promoting financial education workshops or seminars, and debt counseling services and retirement planning resources can assist employees upgrade their financial stability and decrease financial stress or burdens (e.g., Clark et al., 2003).

CONCLUSION:

Prioritizing employee well-being is no longer a "nice-to-have," but a critical factor for organizational success. A thriving workforce is more productive, engaged, and innovative. By fostering a culture that values mental, physical, and emotional health, companies can reduce turnover, boost morale, and enhance their overall reputation. Investing in employee well-being initiatives is an investment in the long-term success and sustainability of any organization.

In conclusion, upholding employee wellness and his morale is no longer a mere poultry requirement but an imperative factor for organizational success and its future in today's competitive and challenging landscape. By executing a holistic approach that takes into consideration physical, mental, emotional, psychological and social well-being companies can promote a healthier, happier, and more productive work environment.

Investing in employee wellness and up scaling his morale reaps significant returns. Dip in absenteeism, upgraded productivity, improved employee participation and enhanced company culture are just a few of the many benefits that an employee may enjoy. As the workplace continues to evolve organizations that promotes professional well-being will gain a competitive superiority by attracting, managing and retaining top talent, supporting innovation, and building a strong and resilient workforce for not only the present but also the future.

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IaC with Azure Bicep and Terraform: A Comparative Study in DevOps Automation

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Abstracts- Organizing large-scale data center infrastructures is a daunting task. However, with the emergence and popularization of Cloud Computing, many companies have moved their data to the public Cloud, which helped demystify the provisioning of the infrastructure needed to support them. Today it is, in fact, possible to provide complex infrastructures in seconds, with only the simple execution of a script. These scripts, written according to a specific format, are known as Infrastructure as Code templates. IaC templates do not just allow for the provisioning of resources at a very high speed; they also allow repeating those actions after a defined and deterministic process, which is one of the bases of both Quality Assurance and DevOps/DevSecOps Automation practices. Template files describe the resources and resource types required to build an environment. They are created using defined syntax and then executed to build infrastructure.

Keywords- CI/CD Pipelines, Infrastructure as Code (IaC), Terraform, Azure Resource Manager (ARM)

1. Introduction

Despite being a valid concept itself, offering a solution based exclusively on template files ends up limiting the usage scenarios of such solutions. Cloud vendors were able to capitalize on the success of the IaC concept, creating their own customized template systems. Together with these public Cloud providers, startups also build their own service-aware IaC engines, being the most famous one of this latter category.

However, choosing any of the available solutions to implement IaC does not guarantee the success of the project. Multiple factors need to be taken into consideration, from the desired multicloud/hybrid architecture, the expertise of the team, to the specific features and costs of each solution. In this work, we build IaC templates using some of the main IaC solutions currently available and compare some of the existing features, failing to help by providing some baseline analyses based on the chosen solutions.

2. Overview of Infrastructure as Code (IaC)

As software engineering advanced and matured, so did the practice of provisioning workloads to computers. Long gone are the days where one needs to interact with a computer through physical buttons or switches, or, at least, it should be if you would like to be

building your systems in a consistent, automated, testable, and repeatable manner. The consolidation of concepts such as DevOps and Cloud Computing has allowed us to rethink how we provision workloads. In some cases this definitely holds true and it's simply a matter of subscribing to a Software as a Service solution, but in other cases, a custom solution is needed and some level of control on how that solution is provisioned is required. In those situations, we might need to provision Infrastructure.

Infrastructure as Code (IaC) is the managing and provisioning of infrastructure through code instead of through manual processes. Provisioning of infrastructure through code and automation allows us to do things in a more predictable, configurable, repeatable and testable manner. We can source-control our infrastructure code and apply techniques from software engineering such as testing or software lifecycle management. It also allows us to rethink how far we can go with abstraction layers with the building blocks we need to create when building Infrastructure. Those building blocks will allow developers and operation professionals to provision the infrastructure they need without having to worry about the nitty-gritty details.

3. DevOps and Its Importance in Modern Software Development

In recent years, the pace of technological and service delivery development has accelerated considerably. In this context, companies that have embraced Cloud Computing were able to apply practices and develop technology until that moment only used by Technology Giants. The consequence of this technological development was the emergence of dozens of companies that in a short period of time embraced the model of services of Programming as a Service, Infrastructure as a Service and Software as a Service. These companies, not having carried with them the weight of "legacy systems" began developing better solutions faster than other companies. This behavior has pushed greater competition for companies that demand "legacy" systems.

The answer to this demand for increasingly faster and better services was the creation of Systems and Technology Governance and the adoption of practices allied to technology that would serve as support for this need. Also as a consequence of being born in this digital world and with light architecture, these companies also began to demand better models of Technology and Metric Governance. With the increasingly consolidated use of Cloud Computing, where providers offer the service of provisioning and resource management, there was the need to automate these deployments, so that the infrastructure was in accordance with the services developed and applied in the company, for after what begins to be made available as Infrastructure as a Service. These motivations coupled with the growth of concepts such as micro-services, serverless and over-the-top have

made applicable more traditional practices of Systems Management Governance obsolete. This is where the agile culture and the adoption of the DevOps concept came in.

4. Understanding Azure Bicep

Azure Bicep is a domain specific language (DSL) that simplifies the process of deploying Azure infrastructure as code (IaC) by providing a more concise and readable syntax compared to Azure Resource Manager (ARM) templates. Bicep is a transparent abstraction over ARM templates, meaning that it compiles down to ARM templates for deployment and benefits from the same functionality and resources available behind ARM templates, which serve as the main blueprint for Microsoft Azure infrastructure. Bicep is open source and has gained popularity due to its user-friendly syntax and the convenience of modeling modular components. Azure Bicep is an ideal solution for powering deployments for the Azure cloud environment, whether in combination with other IaC tools or as standalone IaC.

Microsoft introduced Azure Bicep in August 2020,

4.1. History and Evolution

Bicep is a Domain-Specific Language (DSL) released in 2020 and maintained by Microsoft for describing and deploying Azure resources. It is an open-source project created with the principle of 'configuration as code' or 'infrastructure as code'. This principal allows infrastructure deployment and management processes to be defined using flexible coding techniques and written in languages that lend themselves to configuration rather than human interaction. Bicep is designed to be a simpler alternative to the JSON-based syntax used natively in Azure Resource Manager, as well as an alternative to the tooling supplied for resource management within the Azure portal itself. Bicep was conceived as a way to reduce the complexity and difficulty of working with Azure by simplifying the process of authoring ARM templates in native JSON syntax, which could be burdensome and have a steep learning curve for organizations used to working with infrastructure as code at other service providers or on-premises. By using a specialized DSL rather than a general programming language, Bicep code can instead be a shorter, simpler, lower overhead, and ultimately pleasant solution for organizations and teams documenting their configuration.

At the conference on 10 December 2019, Andrew Hoefling and Chris Wedgwood delivered their presentation titled 'A Tiered Approach to IAC: Using ARM Templates while Leading Teams towards a DSL/SDK Option'. In their presentation they explained Bicep not as a replacement for ARM templates, but rather the first of an expected tiered family of tools, moving teams away from the Azure portal, short on configuration control, towards the ARM template with its coding overhead demands, to DSL/SDK tools that would eventually ease demand and support complications

experienced by education and training teams.

4.2. Core Features

The most relevant high-level Azure Bicep's core feature is its high abstraction level with intuitive syntax. As an abstraction over ARM templates, it is less verbose than the original declarative language. Among its specific features, the resource definition Freedom of expression and Linter are baseline behaviors. The abstraction level allows for easier-to-work structures available through Module functions and Nested resources shortcuts. The Template spec and Bundle features allow for bundling multi-file, Higher-level parameterization is done by means of Parameter file.

As the ARM simplified abstraction, Bicep assumes Bicep files are compiled to JSON syntax files meant for Azure deployment by the Azure CLI. Being a compiled language, Bicep is a more natural choice for resource modeling compared to a programming language with an SDK and access to Azure resources that gets translated to an Azure deployment call. However, Bicep abstractions are limited, having no State nor mutable Values. It improves the user experience while maintaining deployment accuracy. It is also focused on Azure resources through APIs and the Azure CLI while being multi-Cloud and multi-Provider through modules or external APIs.

4.3. Use Cases

In 2004, Amazon dubbed its cloud service “Amazon Web Services” and some recognizable services, such as Simple Storage Services and Elastic Block Store, become available to users. The rapid growth of agile computing led to the emergence of “Infrastructure as Code” when users started automating the provisioning and management of their applications in cloud infrastructures. Amazon Web Services Elastic Beanstalk were released in 2010, providing, at that time, some infrastructure automation. It was also around that time that users started programming the provisioning of other services, along with third-party integrations in a reusable way, by using the CloudFormation service.

IaC solutions started to pop out of the IaC need. Some were developed and released by major cloud providers, while others were developed by independent vendors, or Foundation tools. The results of the competition were conflicting and driven either by vendor lock-ins or vendor neutrality. One cloud provider wished to offer a new Domain Specific Language solution, a better developer-friendly experience, and avoid the drawbacks of long YAML files that were often used to declare resources.

The solution was a new tool, which helps with the developer experience and avoids many of the bad practices of existing templates. But would that be enough? At the same time, we would like to know how this new tool compares to other No-lock-in IaC systems. This paper discusses those questions, comparing the new tool, Terraform, and existing templates syntax and artifacts to deploy the same use cases,

in different complexity levels. These comparisons allowed us to understand two different approaches to IaC – one vendor lock-in and the other with vendor neutrality – and document interoperability points and trade-offs.

5. Understanding Terraform

Infrastructure as Code has grown in prominence because it enables the DevOps teams to maintain the server fleet in the same way that the software is maintained, gaining rich benefits from automated testing, versioning, tagging, rollback, and treasure. Terraform is an opensource software tool that enables users to manage, configure, and create infrastructure that are outlined in a high-level configuration language. Terraform manages the low-level applied changes of the target infrastructure through its controllers. Terraform controllers can utilize different providers to make low-level API calls back and forth the target cloud infrastructure or other infrastructure services. A fifth Terraform element is the activity orchestrator that coordinates between the Terraform components and is responsible for detecting changes in the application resources while utilizing the configurations in local files or at a remote location.

Terraform was developed and was first publicly released in 2014. Several services, from IaaS to PaaS to SaaS, have supported its usage through specific providers. Today, Terraform is a widely adopted Infrastructure as Code tool with a vibrant open-source community and a rich ecosystem of providers and modules. At the heart of Terraform is the concept of a "plan". This plan describes the changes that Terraform will apply to achieve the desired state (defined in configurations) of the infrastructure. Terraform executes these changes in parallel, allows staging these changes via workspaces, and tracks these applied changes over time without overwhelming cloud infrastructure APIs.

5.1. History and Evolution

In the midst of the automation craze in the 2000s and 2010s, a perpetual proliferation of automation tools for configurations and provisioning was seen as adopters increased their adoption of Infrastructure as Code. Puppet, with its early XML-like based DSL, and Chef, with a Ruby based DSL, addressed the management of server configurations with great success. The emergence of cloud providers in the 2010s led to the need to also manage provisioning for virtualization developers, architects, and engineers, with tools such as CloudFormation for AWS, or a plethora of CloudStack, Eucalyptus, and OpenStack, led by the startup 10gen. The need to manage both configuration and provisioning using heterogeneous tools led to several hybrid tools for Infrastructure as Code, such as Saltstack, Ansible, or Cloud-Init. Similarly, both VMware and Microsoft embraced Infrastructure as Code, using Power Shell, and since 2018, PowerShell DSC Resources.

Terraform is a tool for managing standardization on provisioning for cloud and virtualization providers, using a declarative language called Configuration Language. This emerged as a configuration-specific DSL, focusing not only on the syntax but also on providing specific compound data structures such as maps, lists, and conditionals, along with other compound types such as modules. Since then, Terraform has been adopted widely, with a growing community publishing plugins for several providers participating in the Plugin Ecosystem, also known as the Provider Ecosystem, simplifying the lifecycle of the resources provisioned through Terraform.

5.2. Core Features

Most of the design principles outlined in Section 4.2 apply also to Terraform. Terraform is a tool for provisioning and managing infrastructure as well as other resources throughout their lifecycle using declarative specifications, while to date being the most popular IaC tool available. The most usual use case for Terraform is multi-cloud provisioning. Terraform supports most cloud providers through an official or community-based library of plugins, which is indeed the most populous by far in the whole IaC ecosystem.

Terraform is a centralized tool. Users apply resources changes through a central server component called Terraform Core in batch mode, which queries the status of deployed resources by calling JSON APIs exposed by their provisioning or managing resource providers. Terraform Core builds a computing graph that expresses the dependency order of the resource changes and applies the enabling actions in that order. Once status information has been gathered for all managed resources, Terraform Core can periodically execute a refresh command to compare their current state to the expected state.

Some of the most important Terraform features are state management, dependency management, change automation, a multi-cloud provider plugin system, and a companion tool for plans and change workflows:

- State management: Terraform keeps a database, in text format by default, that maps resource names to their most relevant attributes. - Dependency management: Terraform uses state information to detect a resource dependence on others and applies the actions of the resource changes based on the plan execution dependency graph, that can be generated and inspected. - Change automation: Terraform can automatically create the plans for certain types of changes, including resource additions and deletions.

5.3. Use Cases

Terraform has been widely used, in the form of an open-source tool and an enterprise solution, in numerous enterprise environments. New use cases tend, however, to be coupled with new cloud capabilities, such as the Terraform support for Google TPM services or cross-cloud connectivity. As such,

Terraform tends to be most solicited when deploying cloud services that are generally available. The following production use cases have been published by some enterprises on their Terraform declarative infrastructure as code solution. Nvidia has used Terraform with custom cloud providers to provision processes in different infrastructures, including on-prem and hybrid cloud, running workloads on bare metal/Docker, Kubernetes, and Slurm, for production and for development. The Thai Department of Land Transport uses Terraform with Azure to streamline the management of complicated share drive setup, in order to minimize permission problems. In addition to these user production stories, there is a detailed open-source case with open-source contributions from different firms.

Some of these firms use Terraform to address migration scenarios, such as moving VMware workloads to Amazon and building a temporary hybrid infrastructure. Different enterprises use Terraform to wrap cloud services — such as Azure K8S — into reusable building blocks, often by implementing modules to call either cloud provider APIs or public cloud to on-prem interoperability services. Other enterprises use Terraform to provision services in different cloud regions, associate cloud accounts with permissions, or deploy underlying services to connect cloud backups to on-premises resources. Unlike other solutions, Terraform can model intricate resource dependencies and rely on actual APIs and components in the cloud for validation. Finally, Terraform is often used before cloud service interruption — as for AWS CloudFront service — to test the setup for managing outages. Terraform's use cases have also been published in cloud-native scenarios with Terraform modules adapted for Kubernetes workloads, with CloudFormation wrapped for Terraform execution.

6. Comparative Analysis of Azure Bicep and Terraform

A major motivation for using IaC is the simplicity of the abstraction of the code itself. This means that the ease of developing IaC code is one of its important features and should be taken into consideration by infrastructure teams when selecting a language to use for IaC code. Simplicity can be understood in a number of different ways in this context. Firstly, it can refer to the syntax and structure of the IaC features themselves. Secondly, IaC is concerned with the automatic orchestration of infrastructure components. This means that the code must be able to handle a number of conditions and states, including local and remote dependencies. Handling these conditions will add complexity to the code development. Lastly, IaC is often developed and maintained by a number of team members. A long-standing challenge for all programming disciplines, not just IaC, is code maintainability and understandability. If both aspects are emphasized in an IaC language, the organization has a greater chance of adopting IaC successfully.

6.1. Syntax and Structure

Bicep was originally developed to offer a more slimmed-down syntax and structure to the existing format. The design goal is to keep all the advantages of templates but at the same time to make it easier for users not only to develop Bicep files but also to read and maintain them. Comparatively, Terraform has a particular syntax known as Configuration Language developed independently of programming for file development. This language was created with a modular approach that enables the easy reuse of templates. Both Bicep and Terraform clearly have their own syntax and structural representations, but organizations should test drive both to judge for themselves.

6.2. State Management

A fundamental feature of IaC is about managing the state of the infrastructure in a declarative manner, with the ability to automate the process of updating and deleting resources where appropriate. Terraform manages its state in a file that stores metadata about your resources such as dependencies. The state file allows Terraform to manage your infrastructure in a way that ensures its state is as accurate as possible and prevents any resource conflicts while building the infrastructure. Bicep relies on Resource Manager to manage your resources and their states. As such, there is no file when using Bicep with Azure, and the associated state and metadata are all managed by Resource Manager.

6.1. Syntax and Structure

The syntax and structure of Infrastructure as Code (IaC) materialize the form of a document written in a Domain Specific Language (DSL) adopted to represent, declare, configure, or provision the infrastructure resources. Bicep uses an expressive, low-level abstract declarative syntax for creating Microsoft Azure resources in the form of native Azure Resource Manager templates, which means certain limitations and conditions are encountered. For example, some resource provider namespaces and resource types can be used with a limited set of related function references, such as extending these functions with specific aliases. But at their core, both Bicep and ARM templates ultimately compile down to the same Azure Resource Manager APIs. On the other hand, Terraform uses a high-level declarative syntax, resulting in a more readable IaC configuration, for provisioning both Microsoft Azure and resources from other cloud environments and specific third-party service providers.

Also, Terraform uses a very coherent approach to define all infrastructure resources inside modular configurations, with a single approach to declare resource dependencies by using their block names strictly inside or outside their defining blocks. In contrast, Bicep defines all resources in a flat style, where the Bicep file can contain resource declarations interspersed with modules that delegate specific (or all) resources to a particular Bicep file. The language structure consists of a set of modules with an additional requirement for the parameter

list to have a specific structure. The Bicep configuration also allows implicit dependences based on the resource properties, but they are not defined at will, as in Terraform configuration.

6.2. State Management

Terraform employs a state management solution in its architecture. This allows Terraform to have control over your resources. When using Terraform, it continuously maps your deployment files with the actual resources deployed. This is done by keeping a state file. When you make changes to resources, Terraform will create an execution plan that will contain only the parts that change. This is the principle of optimization. The state file also enhances the performance of subsequent deployments. This is mainly useful when there are resources that take a long time to enumerate or when you deploy in multiple locations and regions.

A supported Azure Bicep deployment does not employ a state management solution. This makes Bicep stateless and procedural. When you create or delete resources, Azure will always go through the deployment files to validate the requested changes. This mainly harms the performance when your deployment contains resources that take a long time to enumerate, such as Virtual Networks, as Bicep will read their properties in a sequential manner. Another disadvantage is around optimizations. Azure cannot detect the resources that change, causing subsequent deployments to perform any actions for all resources.

However, Azure provides a solution for partial deployments. Each Bicep file can be contained in a deployment resource called nested deployment. Nested deployments will allow you to separate parts of your Azure environment. They are also performed on need basis. If a nested deployment has not changed, Azure will skip its execution, taking advantage of the fast deployment. Another advantage that Azure has around deployments is resource locks. Resource locks will help with security by preventing actual deletions. This is simply something that Terraform cannot provide when managing your Bicep deployments. Managing your Bicep deployments using Azure Resource Manager will then give Bicep the capabilities you need within your environments.

6.3. Ecosystem and Community Support

During the last decade, Terraform amassed a rich and diverse ecosystem, with strong vendor and community support. Most major Cloud Providers have developed and maintained official Provider Plugins, which are regularly updated and keep pace with the latest developments and features from their systems. For the Azure platform, Terraform's Azure Provider has maintained its virtual status during the last couple of years and is one of the top-three most-featured providers in Terraform's Provider Registry. Additionally, hundreds of third-party Community Providers are also available for Terraform, allowing professionals to

leverage Terraform's automation capabilities for legacy systems, as well as other enterprise solutions. The comprehensive ecosystem is complemented with Terraspace and Terraformer. Terraspace is a framework to build and organize serverless applications using Terraform Cloud or Terraform AWS Provider. Terraformer is a CLI tool that generates Terraform files and then runs terraform init or terraform apply. Together with a wide array of other Terraform Integration tools, they enable the implementation of Infrastructure as Code in a fast and incremental way using Terraform.

Thanks to more than five years of Bicep development and publicity, awareness in the community is widespread. The Bicep repository counts a large number of commits and pull requests coming in from all corners of the world. The issues section points to a number of open discussions about features and bugs, which, although still somewhat limited, are starting to accumulate. Additionally, adoption is also growing in the enterprise sector. Several construction companies are replacing existing JSON templates with Bicep, and some have been implementing Bicep templates as part of their digital transformation during the last three years. CloudFormation boasts a similarly-rich ecosystem, and usually, a similar one exists for their proprietary enterprise partners, for the specific for hybrid multicloud security and visibility solutions.

6.4. Integration with CI/CD Pipelines

Identifying and provisioning infrastructure as code can be safely implemented on production-like environments, making sure all deployments and updates are significantly validated before applied to production. By integrating the IaC code in the CI/CD pipelines as build and release definitions, every single change is securely validated. These processes can even be extended to abbreviated quality evaluation procedures that would drag a feature up to user acceptance testing for validation by stakeholders. Terraform integrates natively with Azure DevOps and GitHub Actions allowing a simpler validation process. Utilizing the native Azure DevOps and GitHub Actions tasks, one can do linting, plan, validate and apply the changes making use of built-in quality gates.

For remote work with a team and cross organization purpose, Terraform has the support of dedicated tools for state management, allowing features to lock resources and production workflows. Implementation changes can be validated in CI/CD pipelines, while plan and apply can be chain locked with an approval process. Terraform also integrates better with other cloud providers for hybrid and multi-cloud environments. Possible but harder, Bicep does not provide an out of the box solution for CI/CD pipelines. These have to be built manually with Azure CLI/PowerShell. Quality analysis has to be configured manually as pre-commit hooks and evaluated in the pipeline itself prior to executing the

change. The merge, push and PR lifecycle have to be carefully monitored since there is no remote state or locking mechanism, making concurrency checks and protections a manual process.

For provision of continuous integration and development processes, Terraform has ideal conditions for its implementation with a well-established ecosystem. Continuous delivery for monitoring resources can make use of Bicep, but only when validating the plan, which is only possible manually or in ad-hoc processes. For daily monitoring and availability, a Bicep pipeline would have to be set for every resource.

7. Performance Considerations

Performance considerations focus on how quickly and efficiently the tools can do their intended work. In the case of Azure Bicep and Terraform, the focus is on how quickly the two tools can manage the deployments and configuration of related resources, but there are other factors that go into performance considerations that are sometimes overlooked. This chapter looks at both deployment speed and resource management.

7.1. Deployment Speed

Bicep is specifically designed as a deployment language related to resources in the cloud. Deployment of resources referenced in a Bicep template may be quickened through the template (the most basic form being to chain multiple resources along without anything else). Resource deployment time, as managed by the target resource provider, is limited to that of the target and could not be said to be any quicker than if the specific individual resources were deployed in any manner. Terraform exists more as a manager of resources than a declarative template. Bicep lacks many of the resource management options of Terraform that speed resource cleanup, which can take significant time and cost, potentially negating cost advantages of faster management and deployment of individual resources.

7.2. Resource Management

One function of infrastructure as code is to create, update, and delete resources in an orderly manner such that resources which are related and interacted upon by the same organization are maintained and managed in the way that the organization has necessary operational, security, and availability policies, contracts, and goals for the resources. Terraform supports functions related to this objective, being able to update a particular resource individually, or several resources at once. It is also capable of passing variable data between resource updates during these operations, which are specifically important for resources that are interconnected. When Terraform manages the resources, interconnected resources are deployed in the specific order determined to be ideal for the organization, which is a unique and complex function not yet available in a Bicep template. Bicep must create the interconnected resources automatically, which may be inefficient.

7.1. Deployment Speed

The speed at which IaC operations can be completed can influence the decision of which tool to use. In general, performance testing revealed that one tool is faster, with savings as much as 8 times, even for small to medium projects. Fast deployments have a direct effect not only in the time of lead operations or developers, but also in the cost with cloud resources by preventing idle time between deployments. In scenarios such as container orchestrators, applications deployed at separate stages of the cluster composition with a large idle time will result in higher costs, computed by the resources needed on the project lifetime and multiplied by the cloud hourly fee.

The effect of authorization and state storage operations can be responsible for delay overheading which are accentuated in scenarios with more project resources. One tool does not require a state storage backend to perform deployment operations. While the time for the bulk definitions is absorbed in the sequence of function calls for resource storage, the other tool will just process it in a single file write. This is a strong point since redundancy in deployments can create costly mistakes, especially when performed by unskilled workers. Injecting file system redundancy when only configuration is required must not be an incentive.

For small projects, the time difference in deployments can be small, but grow for bigger projects by the absence of storage redundancy. Storage redundancy in IaC practice can be a considerable risk. However, redeploying a large project should theoretically take a considerable amount of time even with a redundant simple file storage backend.

7.2. Resource Management

Despite the wide variety of resources defined in the Azure Bicep and Terraform standard libraries, managing resources with a single Infrastructure as Code paradigm is not trivial. Upon deployment, Azure Bicep uses the Azure Resource Manager to orchestrate resource provisioning while Terraform uses an internal mechanism for state management and decision-making.

When the same resource is defined in both Azure Bicep and Terraform, they might rely on different underlying services to implement resource capabilities and behaviors. Azure Bicep abstracts away resource provisioning behind service as a configuration, where proxies to a dedicated service within a Resource Group provision the resource. On the other hand, Terraform treats Azure as an infrastructure provider wherein the provider proxies requests to dedicated services. We noticed discrepancies when enabling services with both solutions.

Azure Bicep is not able to configure Azure Private Links with traffic filtering. Traffic filtering is performed by Azure Private Link Service, which connects private endpoints and resources privately and securely over the Microsoft Azure backbone network. On the other hand, where Terraform enables traffic filtering

using Azure Private Links, Azure Private Links are configured within a dedicated Azure Private Link Service. Azure Bicep, however, is not able to configure Azure AD app role assignments to service principals. Terraform, on the other hand, allows managing multiple service principals and service accounts for various workloads using app role assignments. Furthermore, Terraform provides a comprehensive lookup function for a dynamic fetch of existing resources based on tags and other relevant criteria.

8. Security Aspects

As organizations are moving their assets and application workloads to cloud regions outside of their traditional security perimeters, security has become a significant concern when continuously deploying environments using code—especially if the infrastructure as code definition models and the logic around those models are publicly available. Using repositories for collaboration and versioning of these IaC definition files gives the public access, by default, to read and inspect how the infrastructure is configured and deployed; however, the credentials and secrets for creating those cloud resources must also be stored somewhere for the deployment engine to authenticate and execute the pipeline job. Coding mistakes during the infrastructure definition process can expose routes to external attackers, resulting in company data breaches and unauthorized access to the deployed infrastructure resources. In this chapter, you are introduced to security features and extensions of Bicep and Terraform, with a focus on best practices for securing your code. Risks around security and compliance can occur at many levels, including design pattern choices and the coding of the artifacts themselves. Using plugins and executing commands on those plugins can offer quick remediation, as they are aware of best practices and violation thresholds, but that is only one part of the process. The coding itself, for example, variable scoping, invalid resource types, use of hard-coded data, and exposing your development patterns to risks of user-created pseudonymous accounts are a few of the dangers. Other concerns, such as free-tier resource usage, resource geolocation, environment provisioning, secrets and credentials management, using sensitive data types, and validating user input are all areas where you must be mindful of.

8.1. Best Practices

1. Security Best Practices

Infrastructure as Code introduced listening to security from the beginning of the DevOps pipeline: DevSecOps. Some of the main vulnerable points for IaC are Wide-open Security Groups and Storage, Passwords Hardcoded, Dangerous APIs, Network Exposure, Outdated Versions, Lack of Audit, and Insecure Roles. The first role for any IaC is to ease the Sec from the DevSecOps condense. Below are some basic practices for Azure Bicep and Terraform files that will help you eliminate the false positives from the security scanners.

Any IaC file has a header section with some basic configurations to guide its execution, to ease up the tools parsing, this section must have an order, which usually follows the language guidelines. Hiding or encrypting secrets is mandatory to mitigate risks. Azure Bicep supports some properties for parameters and variables; in the case of Terraform, you just need to change the files' permissions. In some scenarios, it's better to use Key Store or Key Vault to encrypt the data. Hardcoded passwords are a no-no according to the industry security rules. If possible, use the language's operations to mitigate this kind of practice.

Use modules, for instance, common modules to keep repetition, as it encourages copy-and-paste coding practices. After creating your template, keep it updated. Cleaning unused parameters, files, and versions will ease auditing and the corresponding security checks. In situations where low-level permissions are granted, security will be helped by enabling the Least Privileged Permission.

Lastly, for any IaC implemented, ensure that it has all CI pipelines implemented so Vulnerability Management is carried out.

8.2. Vulnerability Management

Implementing Infrastructure as Code (IaC) does not automatically solve the underlying security problems of the underlying platform. When using Azure Bicep and Terraform, intended for IaC within the Azure ecosystem, it is critical to implement vulnerability management processes that continuously protect Azure resources over their lifetime. Continuous Vulnerability Management is the repeated scanning of operating systems and applications within an environment for any missing patches or configuration updates. This includes scans performed internally along with external scans performed by third parties. As part of this process, the new published vulnerabilities must trigger alerts to the administrators. Following that, the identified assets need to be investigated for the existence of the vulnerabilities, and if detected, an appropriate response must be executed. The asset response can go from merely documenting the finding and planning its resolution to the complete deletion of an asset if it represents a critical risk, and no remediation has been planned.

When performing IaC, the assets are deployed in an easy and quick manner and are often replicated, which may lead to significant exposure windows. Development and testing can employ a significant amount of exposed assets, which may lead to critical vulnerabilities that correlate to organizations' major risks. As most of the management of the assets is automated, the task of the administrators is focused on the critical assets that have a lack of governance. Because of this, it is reasonable to require that the vulnerability management process be utilized at least daily. This way, most of the findings can be solved while they still are in the short-term risk status.

9. Case Studies

To further analyze and compare how Bicep and Terraform implement features provided by Azure for IaC scripting, two identical environments are created using Bicep and Terraform. The following subsections describe the efforts required for both implementations, the methods used, and the final results. First, in Section 9.1, the Azure Bicep implementation is presented, followed by the Terraform implementation in Section 9.2.

9.1. Case Study 1: Azure Bicep Implementation

In this section, the architecture implemented with Azure Bicep is introduced in detail. First, the initial requirements are presented. Second, the architecture implementation is specified and described. Finally, the testing phase is detailed.

9.1.1. Requirements

In this study, the Azure services running the backend API are provided via Docker containers. A database Azure Container App, a Redis cache Azure Container App, an Nginx front Azure Container App, and an Azure SQL Database (with its Azure SQL Database Firewall Rules) are implemented. All Container Apps are deployed into the Azure Container Apps Environments, and all services are reachable via HTTP requests. The architecture serves static files and acts as a reverse proxy for the backend database API, which performs requests to the Azure SQL Database and to the Azure Redis Cache. This basic architecture implements the default connectivity and security features available in the respective Azure services. As such, these specifications are considered the initial requirements of the implemented architecture. Other security and performance configurations are outside the scope of this case study.

9.1.2. Implementation

The architecture implementation uses modules for the resources with multiple configurations and outputs. The architecture provides and exports at least one output per resource. All implementations and Azure services used are versioned for reproducibility. The reverse proxy runs static files in the Nginx container and sets two proxy routes: one for general access to the backend API and the other for the SQL Database and Redis Cache health checks.

9.1. Case Study 1: Azure Bicep Implementation

We developed nine labs for the NPO using Azure Bicep and built upon each other as an onboarding strategy of the audience to the Azure cloud environment. Each lab had the objective to perform one task or configure one resource or service in Azure using the Infrastructure-as-Code principle with Bicep. For the sake of generalization and future repeatability of the work, we focused on the core and fundamental resources necessary to create a functional and complete infrastructure where the other future labs could be implemented, such as: how to implement the Governance Principle,

managing Security, Communication, Identity, and Access Management, Network Design, Data Protection, or Load Balance, Scale, and Monitor Resources in Azure. Furthermore, we created all the resources in the Azure Public Cloud environment. Inside the Azure environment, we designed the infrastructure by creating Resource Groups for organization. Also, some practical recommendations were provided in the labs around the importance of not minimizing the name of the Resource Group and specifying them according to their purpose. In this way, the audience would be helped in the Tagging Governance in the Azure environment.

The labs perform the following tasks: Deploy a Resource Group; Enable the Resource Lock on a Resource Group; Deploy a Storage Account to Store Artifacts; Deploy a Log Analytics Workspace; Deploy Key Vault; Deploy Virtual Network and Subnet; Deploy VNet Peering; Deploy a Virtual Machine; Deploy Load Balancing with Autoscale; Deploy Application Insights. It should be noted that all of the above resources are mandatory as prior resources for future labs that the NPO has demanded as goals for its internal usage. However, we did not include parameters, templates, or modules to our Bicep scripts to ease the understanding of the audience to the subjects covered in the labs. The audience was non-technical people, with no previous experience in Cloud Computing, Azure, or even Business, so we facilitated them as much as we could.

9.2. Case Study 2: Terraform Implementation

This chapter describes our second sample case using Terraform to automate the instantiation of an Azure storage account. Being serverless provisioning high-level services is the main worry since under the hood many resources and configurations will be deployed to support a production security level deployment, which is much more effort if provisioning them all from scratch with code.

We assume we have some experience with Terraform, so the code will not be commented; in any case, Terraform has extensive documentation to understand how to use it effectively. Main Terraform concepts can be also found in the previous chapter. First, we will perform the whole deployment automatically made for us by the module. The main structure of this Terraform Azure storage account module is based on some Terraform functions and some low-level resources configurations, which make it possible to parameterize the different Terraform providers configuration.

For this case, we will store the static web contents of a simple web page that when accessed returns the corresponding JSON file with the website description. We also set up CORS support for the web assets with a single origin policy that will only allow localhost access. The folder structure in the root of the storage must be the following: the web page index.html file and the description JSON file must be in the root folder, as well as the CSS and JS folder files. The web

content must also be properly defined in the according policy variable. The external access to the storage will be through the created static web service; any other means will lead to an authentication error. This is an example of deploying an externally accessible resource through a well-defined API, and abstracting as much as possible all the internal provisioning of other internal resources.

10. Challenges and Limitations

Infrastructure as Code brings its challenges and limitations, and both Azure Bicep and Terraform are not exempt from that. This section provides an overview of the challenges and limitations of these two tools, helping organizations to make informed decisions regarding their selections.

10.1. Azure Bicep Limitations Azure Bicep is a relatively new tool, and as such, it is still missing features that are already available in more mature tools, such as Terraform. Some of these features include: the lack of a registry system to share community-friendly components; remote states; additional unit-testing and lifecycle capabilities; and limited programming capabilities. And even though Bicep compiles to JSON, it also lacks the ability to extend itself in a more flexible manner than currently allowed. Despite being a cumbersome task to handle modules and resources in large enterprise environments, it is important to mention that Azure Bicep is tightly integrated with the Microsoft Azure ecosystem, and the object ideation could even be seen as a benefit since it would lead to some sort of standardization across infrastructure deployments. Last but not least, being a Microsoft product close to Azure, it could cut previously-implemented validations and mitigations that should be solved by the organization in order to have a more secure deployment.

10.2. Terraform Limitations Terraform was designed to be a multi-cloud tool that can control several cloud providers. Despite being a more mature tool, there is still consensus that Terraform providers could improve their enterprise profile management. Terraform is based on a plan/apply model, where the first operation may take a long time, and organizations must be aware of potential problems when applying Terraform in a multi-user environment. The statement of a Terraform file could become complex, as developers need to know the available attributes in order to not face runtime errors. Furthermore, specific providers can have attribute names that differ from the ones defined by the cloud provider, which could further complicate attribute logic. Terraform also requires additional tooling for unit testing and security policies or checks.

10.1. Azure Bicep Limitations

A well-recognized limitation of Azure Bicep is its immaturity due to its early availability status. Azure Bicep is still in preview and has not reached a production-worthy status like other tools. The primary provider is in production for more than 5 years and is a better-known

and widely used tool. The second limitation is that it is compatible with Azure only. There is no other cloud provider. The third limitation is that it is mainly a declarative language. The Bicep team is working on adding logic functionalities, but if you need more logic, like loops, script or DB lookups, you still need to use templates. Although, Azure Bicep is greatly simplifying deployment because of the integrations with CLI and APIs.

The fourth limitation is that Azure Bicep is just a step-up from templates. A lot of existing features like Managed Identities, Role assignments, Policy Assignments, DevOps Service Connection APIs, REST APIs… are not yet included in the preview version of Azure Bicep and depending on the timing, the hype versus risks might tip toward other tools again. Fifth limitation on cost management, although Tags are on track to be implemented into the GA version of Azure Bicep, logically managing costs with Azure Bicep are more difficult because resource Tags don't have default values in Resource Manager. This would not allow Azure Bicep to pass in big midsized or large companies playbook with a lot of existing provider modules. Azure Bicep is a promising tool, but it still needs time to mature.

10.2. Terraform Limitations

Some of the challenges we encountered are inherent to how Terraform was created and to the characteristics Terraform has; Terraform is a domain-specific Language (DSL) that is based on concepts originating from the Functional Programming paradigm. Terraform is an open-source infrastructure as code software tool that provides a steady CLI workflow to manage hundreds of cloud services. By creating a configuration file, the user can deploy the same configuration multiple times without any errors and can become more productive by creating any infrastructure on demand, which is similar to writing an application. Terraform, although open-sourced, was created by a company; also, it is provided as a model that enables provisioning services at a cost, and it is a service abstraction. Besides its limitations as an abstraction to open-source, service-agnostic approaches, Terraform has limitations that are specific to its textual, modular, and file-based configuration architecture.

As an abstraction to Cloud providers intuitive but limited configuration models, intent-based, User Interface-based tools provided by Cloud providers needed no prior knowledge about its limitations, Terraform imposes prior knowledge and understanding of its architecture and workflow on users, who are charged with understanding the entire model of the infrastructure as a graph, organizing the provision of services, and writing separate implementation modules to keep portions of complex infrastructure in separate files, not separate scrolling through configuration files. Another limitation of Terraform is that, although command templates can be executed to speed up the creation of configuration files, textual configuration

representation is more prone to human errors than GUI-based infrastructure creation flows. Other limitations include posing challenges on Debugging of configuration files, State File dependencies, Critical section Challenges, Privileged Account Challenges, and Module Dependency Management Challenges.

11. Future Trends in IaC

11.1. Emerging Tools

Infrastructure as code (IaC) from the beginning was very eclectic and fragmented; the world of IaC tools is rich from the beginning. In the last years, we saw many new players entering in the arena. Many tools are in early validation stages; they grew from internal tools made open-source to incubated companies, acting as new directories to ...

11.2. Predictions for IaC Evolution

So, what lies ahead in the future of Infrastructure as Code? We see three clear directions:

At first, IaC will be everywhere. Full-stack developers in small to medium start-ups will help to consolidate and "productify" local stacks and local environments for every dev, weaving it together with the rest of the platform. Helping dev complete his flow through the platform, so the infra can comply with needs. Platforms will create many reasons for every dev to "consume" infrastructure as code, along with guardrails to not break-it.

Secondly, compliance will help push forward the entire ecosystem of developer tools & platform engineering, from templates to stack analysis company. A close combination of life-cycle management, Templates explorer and browsers, stacks analysis will be help. It is often said that Code is Law: Well, Code is only Future Law until a Lawyer takes a "read" at it. And third, expect continuous abstraction on top of Cloud Providers tailored into your context. Expect Providers to help you with your specific needs, and want to automate your process as much as possible. Expect abstraction to become more easy for smaller companies putting together smaller GUI interfaces to modularize your process. Abstraction needs to become context dependent, although!

11.1. Emerging Tools

Among the numerous tooling additions to the IaC ecosystem, a notable one is a contextual completion tool acting like an interactive "autocomplete" for code. The concept behind tools like this gets closer to relieving some of the technical challenges as automatic program generation based on user input. Early iterations support JSON and HCL, the formats used by Terraform. While it does not target program generation yet, it is an exciting preliminary step to be able to generate Terraform code faster as a pair programmer. We see the augmentation of developers through AI-assisted code authoring and, over time, conversing with LLMs on chat interfaces to express the requirement of an automation task.

We also start seeing niche tools that are code formatters or IDE plugins, giving a nod that these core code generation tasks will be enhanced in the future, thanks to large models trained on large programming languages corpora.

While it is unclear what the future will look like, we provided a landscape of the current offerings on the main tasks that are associated with the lifecycle management of infrastructure uniqueness, in a domain that is still finding its footing but certainly growing, easing infrastructure management flows for companies. Future work may integrate some of the tools mentioned together into a tightly coupled accelerated automation process. The function of the IaC tools themselves is also evolving as we begin moving outside of the pre-established realm of IaC trails of composing specific services together from those cloud offering providers, with tools opening new possibilities of easing automation of data and service workloads beyond their infrastructure needs, moving up the tool gradient.

11.2. Predictions for IaC Evolution

Design and Implementation. We predict that the two areas of Modularity and Multi-Cloud will drive adoption of more sophisticated tools, which may be focused on higher-level abstraction, through services-orientation tooling or modularization-oriented tooling. These specialized tools may compete with or work in partnership with the cloud-agnostic IaC products in currently prevalent IaC tools. An ever-increasing amount of applications will use functions as a Service paradigm on the cloud, and thus will leverage capabilities for serverless frameworks. For modular architectures using a specific DSL, augmentations may provide features that are too specific to focus on a partnership with general IaC infrastructure. For cloud-specific services, we predict that cloud providers will loosen their language restrictions around DSLs and would provide interest-based support environments to develop with the heterogeneous nature of microservices, which will remove the stigma of development using proprietary cloud DSLs.

Language and Integration. In terms of IaC language, we predict that domain specific model-integrated languages will eventually heavily influence the demand for other IaC DSLs since it will be easy to define model-driven descriptions at different levels of abstractions, as defined by the microservices. Multi-cloud container services that support microservice description models will also be an important factor in increasing the use of model-integrated DSLs. Eventually such container orchestration for multi-cloud services will evaluate description models that contain rules for resilience of models and deploy multiple instances that can work on a separate cloud unit in an accessible way. This will remove the hesitation of enterprises that want to evenly distribute containers and systems on a cloud for HA capabilities.

12. Conclusion

In addition to the testimonials provided by the interviewees presented in the previous chapter, it is important to conclude this study. The intent of this study was to explore the two leading tools for Infrastructure as Code automation, Azure Bicep and Terraform, in combination with the use of the DevOps concepts using a comparative approach. But what does that mean? It means that we mapped the concepts, tools and services provided by Infrastructure as Code and DevOps practices and compared them. This allowed us to create a picture to show how to implement both Azure Bicep and Terraform, using an easy-to-understand example of a practical implementation to better understand the dilemma of choosing one, both, or neither tools. The intention of using two different clouds, one specific to Bicep and the other multi cloud for Terraform, was to present the tools in a way that reflected their true nature, making the comparison closer to reality and possible to be tested by the reader.

This was taken into consideration, as reflected in the interviews, bringing several points, pros and cons for the use of both tools, making it possible to choose and deliver. The result was an exploratory comparative case study, as highlighted and summarized in the previous chapters. In the end, we can only conclude that some things have not changed, as it is clear that Infrastructure as Code is a practice that is here to stay, helping and facilitating the automation and maintenance of the infrastructure of companies among all sizes. One thing to take into consideration when choosing which is the best tool is that Terraform is already a mature product with many years on the market, with its strengths and weaknesses, while Azure Bicep is still maturing and evolving in the market, still having some limitations, but gaining momentum.

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Real-Time Monitoring and Feedback Loops in DevOps Using Azure Monitor and Log Analytics

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Abstract- Azure Monitor allows application developers and system engineers to gain insight into applications that operate within Microsoft's Azure cloud as well as those externally hosted but still utilizing Azure resources. This capability is offered through a unified infrastructure. In light of the DevOps objective of rapid release cycles coupled with reliable production systems, the industry is increasingly prioritizing the necessity to monitor production environments. Azure Monitor and Log Analytics empower users to access and analyze logs, along with generating alerts based on elapsed or accumulated metrics for any monitored Azure resources. This includes virtual machines, containers, serverless functions, web architecture, SQL databases, and the infrastructure resources present in any Azure region, adding a fig to the comprehensive monitoring capabilities.

Web applications running on Microsoft's IIS and ASP.NET have long offered the ability to log diagnostic information. But traditionally, all this logging has been stored locally on disk, with no centralized collection, and no analysis beyond simple searching. Azure Monitor and Log Analytics make it easy to set this up and gain insight into user experience of your application, and usage inquiries about how users are jumping from page to page in your application. Monitoring feedback loops help you ensure a reliable production environment, and to analyze the reasons for problems when the service quality you monitor doesn't meet expectations.

Keywords- Log Analytics, Azure DevOps, Azure Portal, AI and machine Learning, Metrices

1. Introduction

New DevOps pipelines implementing continuous integration and deployment of your application are now easily set up with Azure DevOps. During this DevOps cycle, Azure Monitor and Log Analytics ensure the quality by giving you a complete watch on the resulting application code deployed to users via Azure or another infrastructure. What are they doing, and how many erroneous requests are occurring since the last update?

DevOps aims to increase an organization's speed and agility to deliver applications and services through the adoption of infrastructure automation, continuous application development and testing, and deployment automation techniques. However, because production systems are shared resources supporting dynamic workloads, achieving the goals of DevOps can be quite difficult. An organization's DevOps efforts run the risk of impeded by organizational silos with overlapping responsibilities, such as development, testing, production support, production operations, security, and network management, because it is difficult to monitor and verify for any such shared resource the effects of changes made, both planned and unplanned, by any one group.

2. Understanding DevOps

The goal of DevOps is to create an environment where building, testing, and releasing software can happen quickly, safely, and reliably, which improves the deployment frequency and shortens the time to market, introduces a lower failure rate of new releases and shortens the lead time between fixes and improves mean time to recover when a new release causes a failure. Organizations have already adopted DevOps with real business benefits and quickly solve problems and drive performance with the right people, processes, and technologies.

Microsoft Dynamics Business Central has adopted Agile methods and DevOps principles in many of their teams. To achieve greater customer satisfaction, Dynamics Business Central teams build and test small features every day instead of large features every few months. This means also faster learning and reduces risk for Business Central and its partners because delivering service updates more frequently makes troubleshooting issues in a particular release easier. It uses a Lean Software Development model which means providing tools and templates to allow its people to succeed and how they do it should vary because different groups have different workflows and it allows the team autonomy while working toward a common goal. Developing software in shorter cycles, achieving a faster time to market, and delivering enhancements more frequently all require a level of automation that only modern DevOps practices can provide. Modern DevOps practices include deploying to production multiple times a day, a complete automated end-to-end test suite, unit test coverage of business logic of 85 percent or greater, automated scaling, automated

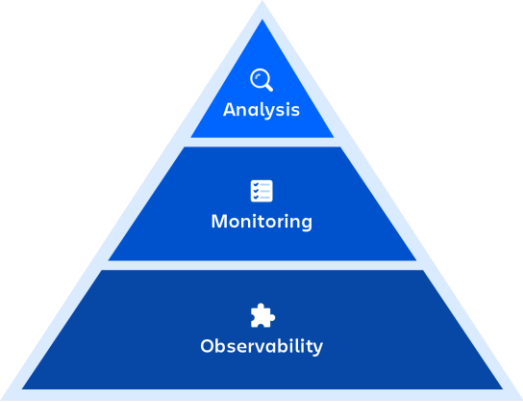
monitoring scripts, and developers who can work across the entire stack that are not just tied to the web tier.

DevOps is a set of development practices that combines software development (Dev) and IT operations (Ops), which aims to shorten the systems development life cycle. It also provides continuous delivery with high software quality. DevOps tools and processes allow development and IT operations teams to collaborate and automate deployment and infrastructure management to deliver high-quality software on time and within budget.

3. Importance of Monitoring in DevOps

The DevOps practice emphasizes the importance of collaboration and integration between development and operations for faster software delivery. DevOps enables common goals between development and operation teams to improve overall productivity and customer satisfaction. The DevOps team uses a number of techniques and tools to achieve this. Continuous Integration, Continuous Delivery, and Continuous Testing are the key practices in the DevOps LifeCycle allowing development teams to deliver their code in an automated fashion at any time without affecting existing operations.

Monitoring of logs and telemetry data of applications and infrastructure when running in production is done through a platform. This is called as Observability. Observability is a part of Production monitoring. It enables logging and searching through application log data to find problems with the application. After the cause analysis, corrective action can be taken based on the monitoring results. Probe Reaction Monitoring helps in reaching the issue state faster. Even with all the safeguards in place, Production Monitoring is essential to detect broken code.



Being integrated gives a good overview of your company and team dynamic. Holding on to the automation boom, and know what goes on in your development lifecycle. Sticking to the best practices of the architects of all business, information, and application processes. That is what you need to optimize and achieve success in all your DevOps projects. Accept that the goal is not to find blame for unacceptable downtime due to bad quality. Rather feedback loops to be used for the joint operational architecting of both services and their controlling processes, with an eye for all monitors integrated. Balance automation and human decision-making, allowing choices throughout the software lifecycle. What is invested in the release of a product, at any point in time, will pay

back in customer confidence, and not be felt as a cost.

4. Overview of Azure Monitor

Azure Monitor is the backbone of all observability needs within Azure. Azure Monitor is composable; its functionality is spread out in components, and they are all designed to perform well together and reinforce each other. Azure Monitor can ingest large amounts of time-series data and enable fast analysis and monitoring of that data. With Azure Monitor, you can create detailed monitoring scenarios that cross both Azure and on-premises environments. Azure Monitor allows you to create your own alerts based on your monitoring data. Azure Monitor allows you to visualize the performance of your entire solution so you can get insight from every piece of your stack. Azure Monitor can give you the tools you need to catch errors before they happen and to troubleshoot them quickly when they do happen.

There is a large amount of diverse functionality that Azure Monitor provides. The core services utilize each of the major headings described in the Functional Overview. Azure Monitor is the backbone observability service that can meet your enterprise, regulatory, and DevOps needs and avoid vendor lock-in. Azure Monitor provides a powerful toolset, but it is not the only such utility in Azure. If you only want specific functions of Azure Monitor, you may feel more comfortable with those dedicated functions. However, depending on just what you do need, Azure Monitor likely provides that function as well, unifying your configuration and learned knowledge.

The monitoring solution also provides the extensibility to monitor platforms or technologies beyond what is built into the service. A number of partners, including both commercial and open source products, have built integrations with the monitoring solution, and can help monitor the broader set of technologies in your DevOps processes. Examples include: workloads beyond the service, including enterprise resource planning solutions, customer relationship management systems, on-premises servers, and virtual machines running other hypervisors; non-technology solutions running on virtual machines, such as what you monitor using various tools or third-party solutions on premises; configuration management; logging; and incident and performance management.

5. Key Features of Azure Monitor

Azure Monitor provides developers and IT organizations with comprehensive capabilities for collecting, analyzing, and acting on telemetries from their cloud and on-premises environments. Doing this at scale enables you to maximize the availability and performance of your applications. Some important features of Azure Monitor include: metrics collection, log analytics, and alerts and notifications.

Most Azure resources publish metrics to Azure Monitor. Metrics are numerical values that describe some aspect of a system at a particular point in time, such

as the number of CPU seconds used by a VM, or TCP connections established against a load balancer. These metrics are collected almost in real-time and are stored in a highly available, cost-effective datastore optimized specifically for metrics. This platform enables you to visualize metric data through the Azure portal, utilize the data in alerts, and set up continuous export of metric data to an event hub or Azure Storage.

Azure Monitor provides several key features that allow organizations to optimize their applications and infrastructure, including metrics collection, log analytics, as well as alerts and notifications. These features allow DevOps professionals to perform a holistic implementation of monitoring with real-time feedback loops continuously and automatically applied to their resources.

Metrics Collection Every resource in Azure has a set of metrics that are continuously collected for the resource at a configurable frequency. Metrics are numeric values that are associated with a specific aggregation period; they provide a high-fidelity view of a resource's health and performance and need to be collected at a high frequency. For example, you can configure metrics to be collected every five seconds and retrieve data for that period.

Log Analytics Log Analytics is used to create queries that can join any combination of logs that are stored in Azure Log Analytics workspaces, and those queries can be used to visualize or analyze the data. Log Analytics supports unstructured log data as well as structured tables, such as Azure metrics, and can correlate log data and metrics together. For example, Log Analytics queries could be created to show the most common errors that your users encounter while also showing related business transaction data.

Alerts and Notifications Azure Monitor alerts can notify you and allow you to take action to investigate and remediate problems before they impact users, whether they are caused by performance issues, service disruption, or configuration issues. Azure Monitor supports multiple alert creation features, according to your organization's requirements. For example, you can configure alerts for specific values or a range of values for Azure metrics.

5.1. Metrics Collection

The process of metrics collection can only be implemented as a result of pre-defined control of basic operational indicators of applications, services, or resources with a fixed sampling interval of one minute or less. Stored metrics can only be accessed using services and can be used to create visualizations such as dashboards, boards, or performance graphs. Metrics functionality is often guided by three basic principles: metrics are not available for all logical service components, such as a function, Durable Functions, App Service, and so on; microservices of traditional applications are not available for metrics collection and visualization; the uniqueness of

metric accumulation is achieved through a unique set of dimensions specific for the represented metric.

Metrics provide numeric evidence about the operational health of a workload, irrespective of where the workload is running or how it is designed. Azure Monitor uses many platform metrics to observe the performance of Azure services. The agents can collect other system, network, performance, and application data from virtual machines running in Azure or on-premises, and then feed the result to Azure Monitor. This data will frequently come from Windows and Linux perf counters and can be filtered to specific processes. You can set up alerts in Azure Monitor based on the collection of this data. User-defined alerts ensure that if the workloads fall out of normal operating metrics, you will be notified. Integration with third-party alerting systems through Azure Logic Apps enables custom action groups that will be notified when an alert is triggered. Additionally, you can push your own metrics from specific applications to Azure Monitor.

Metrics are sent to Azure Monitor every minute to show app health with fresh data. Samples are aggregated from underlying telemetry by the minute and can be filtered to show only the telemetry from the app or service you are interested in. Custom actions can be triggered when metrics cross defined thresholds, allowing you to automate DevOps tasks when there are issues. The metrics are worked on through the Azure Monitor query engine, enabling interactive querying and charting. You can also use Azure Monitor attuned dashboards to tailor the presentation of metrics for your own custom monitoring needs.

Metrics can be thought of as dynamic application and service maps that provide a straightforward interface to high-fidelity telemetry in the Azure Monitor Log Analytics collection. The Azure Monitor Metrics provides near-real-time monitoring for Azure resources. You can evaluate measured time series data for all Azure resources. Using Azure Monitor Metrics, you will get the following benefits: near-real-time visibility into the state of your Azure resources whereby you can access millions of metrics in less than a minute; diagnostics of existing issues that might take large amounts of time to resolve if you had tried to do it by querying logs.

5.2. Log Analytics

Log Analytics in Azure Monitor allows for advanced analysis of data, onboarding new data sources, building custom queries from any data sources, and using those queries in alerts, notebooks, workbooks, security, and remediation features. Log Analytics allows you to go well beyond built-in metrics and achieve enhanced observability by querying and correlating different data sources stored in Azure Log Analytics, such as those provided by Azure Monitor, Azure Sentinel, Azure Security, and many other services, solutions, and partners. This observability is based on several pillars consistently leveraged and recommended

in modern cloud architecture and DevOps designs, such as distributed tracing, logging, dynamic topology using Event Hubs, Application Insights, and Azure Monitor for containers.

Log Analytics is a powerful and scalable service that enables you to analyze large volumes of data from a wide range of sources in real time. With Log Analytics, you can derive insights from a variety of operational and security contexts to help detect and respond to issues related to performance, operations, and security. Using Log Analytics, you can proactively monitor your environments for issues that may have significant impact to availability, performance, or security of systems or services, and identify these issues before your customers are affected.

Log data is most useful when combined with data from other sources to provide a cross-domain view of your environments. These different datasets, combined with interactive and customizable Log Analytics workbooks, help explain the current state of your environments. You can visualize and explore data and create alerts or automated responses based on your findings. Use Log Analytics workbooks to understand data patterns across your environments. You can create custom queries, which come to life in visualizations like charts, graphs, or grids. You can also visualize data across multiple subscriptions and regions.

The Azure Monitor data model includes multiple datasets of collected data, so there is no single schema to learn. Monitor collects data into Azure Log Analytics workspaces, which are essentially partitions of Log Analytics where data from one or more sources is collected, queryable, alertable, and automatable. Each workspace has a schema that describes the various entities it contains. Azure Monitor data structure differs from traditional monitoring tools that store application and system state information, such as monitoring logs, diagnostic logs, performance logs, or configuration state.

5.3. Alerts and Notifications

Once you've gathered the data that you need for your Azure workloads, you can set alerts and notifications for various illustrative scenarios. Azure Monitor has an extensive set of out-of-the-box signals to detect a wide variety of conditions with regard to the different Azure workloads you can manage with it. A group of SMS and/or email engines has been previously set up for Azure Monitor, and when an alert condition expressing itself through a signal you set is reached, a notification will follow through such an engine for any thresholds you stipulated. Such detection activity doesn't wait for data polling at a user-defined interval. Azure Monitor evaluates alerts based on the frequency of the applicable signal.

Azure Monitor enhances observability in your environments by sending alerts based on different signals and metrics it collects. Over 250 alert types are enabled for many Azure resources by default. You can also create custom alerts, Integration Services, Virtual Machines, Applications, and External Monitors

provide health and issues messages for resources, as do third-party vendor solutions integrated into Azure.

Operating system messages and alerts to available channels such as SMS, email, and user functions, such as writing to logs or powering off and restarting virtual machines, are created by using logic rules. These rules evaluate the results from Windows, Linux, and Application Insights alerts, as well as Azure Monitor planned maintenance windows, and trigger on HTTP events and custom data pushed and pulled by Poll and Push Integrations.

Using alerts, Diagnostic messages, and AM to manage the operations of Azure resources such as Virtual Machines and Services, Integration Services, and Hybrid Connections, Azure Monitor counters additional monitoring and management functions. Blue Box allows you to see your resources, Composite Monitors give you summaries of your Monitor Groups, and Service Health Alerts send you email notifications when changes are made to Services in your subscriptions. Audit logs keep a record of changes made, and Azure Monitor Retention lets you set time intervals for all data in Logs, allowing you to query hosts that have not been seen within a certain timeframe.

6. Setting Up Azure Monitor

Before using Azure Monitor, you first need to create an Azure account. You can create a free Azure account with a limited free amount each month. You will also at some point will need to enter a credit card for verification, but Azure won't charge you unless you go outside the included allowances. Upon logging into the portal, you would be greeted by the Azure dashboard. The dashboard shows the state of Azure resources and can be customized based on the user role and needs. In the dashboard, you may see resources like Cloud Shell, Azure Marketplace, Azure Advisor, etc. Speed up the way you work on Azure by using Cloud Shell. You can also have a bit of fun and select a different theme for your profile. The Azure dashboard is a portal for links to all Azure services and allows managing subscriptions, user settings, and Azure resources. Azure offers several popular services like accounts and billing, compute, containers, databases, developer tools, IoT, management and governance, migrate, networking, security, and identity, storage, and website. To navigate to Azure monitoring service, click on the All Services option in the left sidebar and either browse or search for Monitor. Click the Monitor link under the management section and you will navigate to the Azure Monitor home page.

6.1. Creating an Azure Account

To set up Azure Monitor, you need an Azure account. You can create a free account. The free account provides enough credit to explore core Azure services for one month. After signing up, log in to the Azure portal. Use the Enterprise, Government, Cloud, or B2B sign-in options if you’re with an organization that uses Azure Active

Directory services. Otherwise, use the Microsoft Account option to sign in.

After signing in, your Azure portal should give you a landing page with a global menu on the left side and main pane displaying resources and other options. The global menu has shortcuts to Create a resource, a list of your Resources, Dashboard, Billing, and Help. The main pane has links to More services, Browse, and various featured products. Also, you will see notifications in the notification section. Choose the settings option to view Azure Service Health.

6.2. Configuring Azure Monitor

Next, you create a Log Analytics workspace. A Log Analytics workspace is a unique environment in Azure Monitor that collects and stores log data from monitored resources. You can have one or more Log Analytics workspaces, with each Log Analytics workspace created in a certain region. The resources in that Log Analytics workspace must be in the same region. When you send log data to a Log Analytics workspace, you can configure several settings, including data retention and daily data ingestion volume, and you are billed based on these settings.

6.1. Creating an Azure Account

In order to utilize Azure Monitor and Log Analytics, the reader must create an Azure subscription. To create an Azure subscription, go to the Azure website and select Sign in. You will be prompted to enter your Azure account credentials, and if you do not have one, you will need to create an Azure account. Select the option to create a free account. A page will open. Select the option to create a pay-as-you-go account, which is the option you need to create an Azure subscription, and select the start free option. You will have to fill out your email address and validate it. Fill out your information in the new account wizard to create an Azure account.

Utilizing Azure Monitor is straightforward and will not take you long to complete. Once you have created an Azure account and signed in, you will be taken to the Azure portal. The Azure Portal will feature the Azure resources dashboard. The dashboard will be blank, as you have no resources configured in Azure. The Azure Portal is the main working area of Azure Monitor. From this page you will be able to create and view your Azure subscriptions, create and configure all the different Azure services and any resources that might be associated with them, and also monitor all your resources by using the Azure Monitor solution. Take a moment to get familiar with the different features of the portal. The portal is both user-friendly and visually appealing. You have quite a few built-in Azure services available to you, along with all the services from Azure's marketplace, which you can use if you cannot find what you need from the built-in services. You may access Log Analytics using the search tool in the top bar of the Azure portal. It is important to note that a free version is available for 30 days; after which you will be charged for the services you used.

To use Azure Monitor, you need to set up an Azure account. If you have an existing Azure account, you can skip to the next section on configuring Azure Monitor. To create an account, navigate to the Azure website. Click on the "Start free" tab on the top-right corner of the home page. You are directed to the Create an Azure account page. To create a new account, fill up the required fields: an email address, a password, and a country/region, and verify that your country/region is eligible for free usage.

Locate the "Free account credits" button. Click on it, and on the new page that appears, click on the "Start for free" button on the top-right corner. From the "Sign in" page that appears, click the "Create one!" link to create a new Microsoft account. The new page that appears may prompt you to provide your phone number to verify that you are human. Follow the prompts and verification steps to create your Microsoft account. Click on the button "Create a password" to create and confirm your password. Fill in other required details, and then click the "Next" button. You then see a security page asking you to choose how you will receive the security code. Follow the prompts to complete the account creation process.

You are redirected back to the Azure account page with the option to Create a subscription. Fill in the required details and agree to the terms and conditions. Navigate to the "Azure free account credits" section and select your preferred subscription period. Select your preferred payment method. This is required because they may bill you once the period or credits are exhausted. Azure gives you some credits to use this service for free for that period. Finally, click on the "Start free" button to create your new Azure account.

6.2. Configuring Azure Monitor

To configure Azure Monitor, firstly log in to the Azure portal, and in the search box type “Monitor” and choose Monitor service from the results. Azure Monitor provides monitoring features and capabilities for all Azure resources available. In the Monitor setup page, it allows you configure different monitoring settings and options for Azure resources. You can create alerts, view metrics, set up diagnostics, alerts or insights for different Azure resources.

Next to setup Log Analytics workspace, Log Analytics workspaces serve as a central repository for high-fidelity, detailed log data collected from all your Azure resources. For most Azure Monitor scenarios, Log Analytics workspaces are the backend data repositories for log data. You can ingest log data, create elaborate queries to analyze your log data, visualize the results, and export your query results to other tools. Many Azure Monitor advanced features, such as alerts based on log queries, rely on Log Analytics workspaces.

To create Log Analytics workspace, from the Monitor setup window, choose the “Logs” blade under Insights section, and select “Create” link at the top of page. Fill in the basic settings such as Resource

Group, Name, and Region and Specify Pricing Tier and click on Create button to create Log Analytics workspace. Log Analysis workspace is then created and you will be able to access it and can configure other settings too. It takes around 10 minutes to provision Log Analytics workspace. Log Analytics workspace uses a unique identifier which is used to connect with your monitoring service clients as agent.

Once the Azure Monitor resource is set up, you will be taken to the Overview page of the Azure Monitor. The Overview page provides a unified view of the health status of the Azure resources and applications configured to be monitored. However, to utilize the full potential of Azure Monitor, we need to enable monitoring and log analytics on various resources configured within the Azure account. Those resources may include virtual machines, application services, and containers, among others. Azure Monitor also enables us to define alerts and actions in the way of action groups to be triggered by certain alerts.

7. Integrating Log Analytics

Organizations typically have multiple systems in place. It is a common practice to enable logging for these systems to help find issues in production, but the logs for each system are maintained separately. For example, the logs for resources are stored in a centralized location. For applications deployed in cloud environments or external identity providers, the logs are in a specific logging service. For container orchestration, you might be using other logging capabilities in the cloud environment.

For your application, if you're using these logging services separately, you need to manually update and correlate information across these logging tools when troubleshooting your application. Additionally, since each service has its own UI and API, and querying one tool doesn't give context or data from the other tools, you miss out on useful visualizations and insights that are otherwise possible when you correlate data across the logging tools.

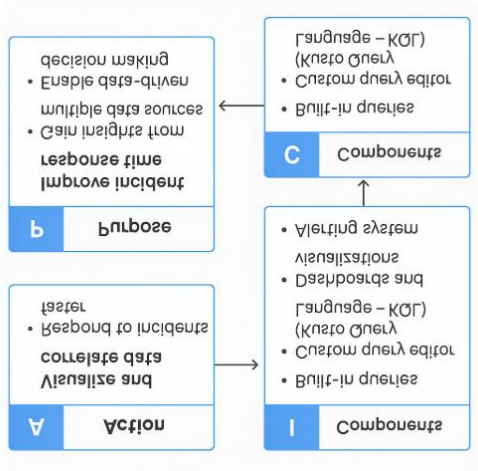
To minimize this data correlation and enable seamless analytics, a centralized monitoring solution enables you to route logs from several external sources and applications to a common location and query logs across all your services easily. This common centralized location provides a single source of truth for the signals from which to derive insights.

In doing so, the monitoring solution provides multiple service-oriented solutions that collect, process, and analyze signals from specific areas of focus. All solutions work together harmoniously to provide a unified and cross-cutting view of the complete system for monitoring and diagnostics. The logging service provides a general-purpose distributed data collection service based on a familiar data platform.

Log Analytics provides tools for analyzing the log data that your organization generates daily from its

computers, devices, and services in the data centers and cloud. Customers use Log Analytics to understand how to gain insights from an organization's activity, determine whether their environment is behaving normally, and identify trends or patterns over time. Log Analytics provides built-in queries, but you can also create your own custom queries.

Log Analytics allows organizations to easily visualize and correlate data from different services, and respond to incidents faster. Using various data sources, Log Analytics can present the data, using built-in queries, or allow users to customize queries, visualize data, and create alerts.



7.1. Data Sources

Log Analytics stores log data in a workspace, which is the fundamental organization construct. The benefits of using a Log Analytics workspace are as follows: collection and querying of different data types from one or many Azure subscriptions, offering Azure services for a number of different solutions, separation of the collected log data by subject matter for better performance, independent retention and pricing policies and costs, additional Azure services relating to deployment, management, and monitoring, and support for Azure Resource Manager-based custom templates.

Data sources are categorized based on data types, which take many forms, such as performance metrics, security event logs, specified performance counters, etc. For a Log Analytics workspace, the following supported data types are available: Azure Diagnostics, Azure Security Center, Containers, Custom Logs, Data Collector API, Data Platform, Heartbeat, guest OS, Azure IaaS, IaaS VM, Log Analytics Agent, Azure Log Analytics Service, Microsoft Monitoring Agent, Windows Event Log, Linux Syslog, Microsoft Security and Compliance Center and Azure AD, Security Events, and Performance Counters.

7.2. Querying Logs

With Log Analytics, organizations can define the queries that are necessary to surface the required information. It is even possible to configure alerts based on these queries to proactively inform about an anomaly. Azure Log Analytics uses a read-only request language that allows performing a lexicographic search with high-performance capabilities of large volumes of data. It provides a flexible, wise, and natural syntax that allows filtering and projecting the data requested and can apply extremely powerful data analysis, including functions to classify,

count, approximate, reduce, search, serialize JSON, union of different queries, and manageable custom timeframes.

Queries can be dynamic variables that will be set upon the functionality call or predefined queries with known parameters already set. In Log Analytics, a preformatted query is ready to be run based on information, logs, or alerts submitted to Azure Monitor via Log Analytics. A log-based query inspection can also provide great insights into retention, data types, mappings, and schema. Predefined queries are not set for every capability included in Azure Monitor Services but are populated throughout the time as more users engage with Azure Monitor. These queries are specifically built for ease of use and low error risk in setting the variables, meaning that defined query variables limit the scope of the user input to the query, reducing the risk of denying the query's execution by the texture or volume of data being processed.

Log analytics empowers organizations to unlock valuable insights hidden within their data. By applying rich querying capabilities to their operational logs or custom application logs, organizations can quickly diagnose failures, uncover usage patterns, determine irregularities, and much more. Kusto query language offers a powerful yet easy-to-access toolset for users to ask questions of their multi-tenant operational data in Azure, distributed and stored as billions of rows in matched schema tables beneath the scenes.

Log Analytics integrates log collecting and querying capabilities directly into the Azure portal experience, enabling users with minimal experience in writing queries to be successful. Predefined queries allow users to start getting answers for regular operational needs, while a simple visual query builder assists with modifying existing or building new queries without any knowledge in log analytics query language. And when the built-in capabilities are not enough, users can always fall back to the innovation brought by Kusto query language.

8. Creating Dashboards in Azure Monitor

The Microsoft Azure cloud computing platform comes with a number of services and offerings. Application performance and availability monitoring from the Azure services itself is monitored using Azure Monitor. The data from the applications can be collected, analyzed, and acted upon from Azure Monitor. The features and capabilities of the Azure Monitor are made possible by providing intelligent insights from data across the services. Working with the Azure Monitor service becomes easy by using a dashboard feature. The dashboard is configurable and customizable in a way that is more useful to you. You can see your Azure Monitor resources on a dashboard from the Azure environment. Depending on the selection of resources, we can reflect our interests in a dashboard

and personalize it as per our needs. The data for the specific monitored metrics related to our project or application are shown. In this chapter, the focus is on creating dashboards from the Azure Monitor service. The dashboards show simple to complex visual data on a small yet to the level of detail as required in the organization. The dashboarding feature helps us to correlate, analyze, visualize data on a single pane of glass. From the Azure Monitor service dashboards, we can show configured metric charts from metric alerts, log queries from logs, or monitors on your resources across subscriptions and clouds. Dashboards are normally used for quick overviews. Data on the dashboards can be configured and resized as per your requirements. You can also set like a Satellite Dashboards technics, on a particular page of the dashboard, to focus on a specific aspect of the monitoring. We can show personalized and group dashboards for personal or enterprise deployment stages.

In infographic design, readability and simplicity are really important. Avoid too many shapes, colors, and information. Formatting, ambitious colors, and too many shapes can distract viewers from the main takeaways from a dashboard and make them miss important actions. Create main actions buttons on the top, summarize key takeaways, and use simple and readable charts. Be clear and graphic while needing a thousand words to say it.

A dashboard is multi-tile, gives up the need to be constantly moving between views for each resource so it decreases the response time when trying to troubleshoot an issue and saves the need to set up a custom view to do an analysis of an anomaly in a single resource or a few resources. Dashboards are intuitive to create, share, and interact with. Dashboards being easy to share is important because it has multi-tenancy and using the same colors means the same about the resources and metrics. It's simple to create a dashboard: Go to the portal, click on any of the buttons referred earlier, and click the Pin icon.

9. Real-Time Monitoring Strategies

Vigilant attention to a continuously-enacted, real-time monitoring strategy displaying the current state of your DevOps cycle can deliver observability regarding your application performance and vital usage. This continuous monitoring strategy, however, does need to be attuned to reducing alert fatigue and information overload, so that the monitoring does inform rather than confuse. Additionally, probing into the right degree of depth relative to critical KPIs is essential. Consequently, formalizing systems management to show the health, performance, and availability of services is a necessity to accurately present business status to outside entities. In other words, making sure your process and operations are visible to both internal and external stakeholders. This requires having the right reporting information and execution at your fingertips to make daily decisions for optimization and strategic planning.

9.1. Continuous Monitoring

Admins must be cognizant to tune all the individual monitoring pieces so the solution displays a unified picture of the overall state of play. To help make this tuning less trial and error, the Azure Monitor team has compiled select monitoring patterns for consideration. Azure itself is a cloud service, so it is prudent for any cloud-based service to implement active monitoring. This allows your own system to request an internal check of overall status. Other related essentials for comprehensive operation monitoring include:

Anomalies. Any unexpected or sudden shifts in your application become front and center items for InfraOps. For Azure deployments, Azure Monitor can keep track of, and notify you of, any anomalies. Performance. Overall application performance is essential. You can consult Logs to gauge CPU Usage or Log Analytics queries in Azure Monitor to check Performance Cores.

When real-time monitoring with feedback loops is mentioned, it often evokes the perception of automatic response with no human intervention. It is a misconception; while it is a worthy goal, the reality is still far removed from that achievement. Continuous Monitoring and Proactive Analysis are monitoring strategies that can be used in different combinations depending on application requirements and the nature of the data being logged. Continuous Monitoring is a precursor that gathers both recent and historic information over time. Continuous Monitoring is not sporadic and ad-hoc; it is defined to minimize latency and loss of critical log data by observing the logging feeds for severity, frequency of errors, alerts, and warnings. It is possible that Continuous Monitoring will highlight problematic areas and point out the need for an investment in Proactive Analysis.

Establishing baselines or benchmarks using Continuous Monitoring can help optimize the single-user or system design so that the impact of sudden change in resource consumption by a single user can be detected, and recovery strategies such as notification, throttling, denial of service, or additional charge can be quickly put in place before the load on systems goes outside acceptable limits. To help assess and mitigate what-if assessments on various application parameters right or wrong, insights through an investment in Proactive Analysis must be derived, and lessons learned must be implemented so that when such a condition arises, the production system logs can be used in Continuous Monitoring to quickly trigger recovery.

9.1. Continuous Monitoring

Continuous monitoring is one of the important strategies in real-time monitoring. The aim of continuous monitoring is to observe the elements of a cloud environment continuously around the clock on a second-by-second basis and identify when any metric of interest incurs a change signifying that the element has either transitioned to a valid

or invalid operational state or is undergoing degradation in performance. If a specific metric increases above a certain value to signify that there are Request Errors associated with the monitored web application for the duration of 5 minutes, it implies that the web application is going through performance degradation and triggers an alert.

To summarize, continuous monitoring is the process of systematically, regularly, and repetitively observing key cloud elements like virtual machines, virtual instances, web applications, storage accounts, and SQL databases to note how they vary over a short, fixed period of time across different instances. The observations are then analyzed to expose any changes in the basic operations of the target cloud elements. Alerts can be triggered when any such changes occur. Continuous monitoring also helps engineers to optimize the configuration parameters of these elements and customizable dashboards can be created for easy visualization on a specific configuration setting of these elements. These alerts and dashboards help engineers to promptly pinpoint the causes of failure or performance degradation and take remediation action before they result in adverse user experiences.

As developers build their solutions and deploy them to cloud resources, operations teams, product management teams, security teams, and other stakeholders interested in the health of an application aren't sitting idly by, waiting for the application to run into an issue and relying on a ping or phone call about it. For these stakeholders, having a monitoring solution that will provide constant information and alerts about the current health of applications is critical for success. Continuous monitoring is a type of monitoring aimed at continuously reviewing everything from ongoing security issues and patches that are needing to be applied to infrastructure resources that are running optimally and applications that are meeting performance benchmarks. Because resources are often separate from on-premises resources, they are more vulnerable to issues if they aren't actively monitored. Using several tools available, organizations can implement continuous monitoring tools effectively for workloads running.

As with other types of monitoring, continuous monitoring calls for a mixture of automated and manual processes. For example, managed services will identify and alert teams to security vulnerabilities without user input. Teams need to address the issues highlighted by these alerts when they arrive, but teams don't manually go through every resource and item on their subscriptions and perform an analysis that is being performed on an ongoing basis. Similarly, though monitoring and analytics can alert teams about performance and health issues with their applications, team members are still responsible for coding the alerts tied to those solutions and reviewing the alerts potentially generated on a regular basis. Like continuous monitoring in other

areas, the goal of continuous monitoring is to minimize the amount of human involvement needed to achieve the maximum amount of successes.

9.2. Proactive Analysis

Proactive analysis is a level up from continuous monitoring. It requires intelligent solutions that can detect complex situations based on resource behavior patterns. A large amount of data is stored over time and must be carefully analyzed to detect possibility of issues, plan reorganizations to reduce cost and predict possible performance problems. If a company wants to become fully data driven, it may even consider setting these analyses as the default for groups in charge of monitoring their production resources.

The features offer a basic solution to do proactive analysis of application performance issues. Log queries can be saved and executed periodically to look for issues on the logs triggered by special desired company defined situations. For the cases that can be detected by alert queries, actions such as function execution, email sending are corrected. The workbooks can also reuse previous queries to visualize in a dashboard view information previously unused as tracking errors over time by application.

The proactive model comes down to storage and analysis of first party application logs and telemetry that can also be done constructed by yourself. It's up to you to decide what information coming from the features you want to save and how, and which analysis to do on the saved information. Other companies already offer more complete solutions to perform application proactive analysis with not all, but a good part of modules already set. There is even an API that allows direct access to third party systems that have done such decisions.

Using telemetry goes beyond watching charts; it provides a wealth of opportunity for improving systems being monitored. Armed with telemetry and provided the time and space, human operators or automated systems can ponder the data presented and suggest new ways to refine the service being monitored. In any given system, performance is a multidimensional problem space. Metrics include response time, throughput, resource use both at the application/OS level and at the hardware level. Ensuring all of these metrics apart from each other do not drift off individually requires time and experience. One method of training out service performance problems is to cluster the multivariate telemetry into pieces that reflect equivalent service behaviors. Once anonymized digitized telemetry is reduced to a lower dimensionality, the resulting clusters of behavior can be monitored over time to reflect service issues that may be trending when agent flagged values cross nominal thresholds.

Machine learning and statistical analysis techniques allow for effective means of identifying predictor sets of telemetry values that are sensitive to predicting failure drift for any combination of

monitored variable. Probes are fitted to a chosen metric through statistical or machine learning techniques. By splitting historic service telemetry data, setting aside part to create the prediction model and fitting the probe to the desired metric, you are then left with the other half of the data to test the prediction performance. This approach can be resource-heavy and not suitable for some customers, but for others working at high volumes 24/7, it's perfect to tune selected and important failure metrics with high use across business operations and to keep them balanced at their nominal conditions.

10. Feedback Loops in DevOps

Real-time feedback is critical for the application delivery life cycle. It informs stakeholders whether the desired business value is being provided through the release of increments of work, what business value is being provided, as well as the quality of any subsequent design or architecture. It capitalizes on the power of deployment customization for business objectives and window-based data collection, as well as the availability of cloud-based pseudo anonymity and profile custom storage. Feedback can also include new work that is necessary for the incremental work to be of desired business value, or of the necessary quality attributes, including elegance, reliability, security, and usability. This is best provided through a short period of product use over which desired metrics are defined and tracked.

The results of the chosen metrics should drive continuous development, deployment, and operations, as well as their refinement. Feedback on the frequency and duration of service outages, as well as the supportive user experience provided by the infrastructure, is critical for multi-services or globally distributed services, as are predictive analytics and standard service level targets. Resource utilization feedback, also from service users, is essential to support decisions associated with cost caps for unexpectedly high demand, guiding budget and capacity based automated scaling. Security checks, tests, audits, and enforcement should be continuous, covering cloud and on-premises infrastructure components, as well as the activities of dependent internal design, test, and operations teams.

11. Implementing Feedback Loops with Azure Monitor

One of the key DevOps concepts is the idea of feedback loops. Every action that a team takes to innovate and deliver results needs to be measured and recorded so that it can be analyzed for its effectiveness. It can then be used as the basis to take informed actions to make improvements. The feedback loop is very short in some cases, such as during the developer integration and build phase. However, the measurement, analysis, and optimization of the processes do not stop when services are deployed. The DevOps practice of incorporating operational telemetry from the environment, services, and other teams back into the development process allows for sustained improvement in the development process.

Alerts are notifications to tell you that something unusual has happened with one or more of your resources. You can choose to receive a notification, or you can automatically trigger some other action, such as a script or opening a support ticket. You can even escalate and route notifications to specific people based on the severity or resource type. The platform can ingest alerts that may come from a partner solution, or you can collect alerts from a specific resource type.

11.1. Automated Feedback Mechanisms

Feedback loops are an essential part of DevOps. Like an organization's training system, they allow for insights based on historical experience to influence the strategic direction. Specifically, feedback loops can close the loop back from production into the plan and develop workstreams. Monitoring provides key solutions that span each of the DevOps process-related pipelines: plan, develop, build, release, deploy, monitor, and assess. Monitoring provides the data, insights, and recommended improvement strategies along the various DevOps pipelines. You can also build your own reports for any aspect of all these processes. Monitoring can provide deployment alerts enabling a closer watch on your key performance metrics during a deployment operation, and have alerts fired during the deployment so that you are able to assess the impact of the deployment on your key performance indicators (KPIs), enabling you to evaluate and assess the development and deployment of new features, engage user experiences, and eliminate disruption. The Health feature enables you to create application health dashboards and subscriptions using monitors that you have previously configured to get a superior experience while monitoring your deployment activity and have notifications enabled. Insights into your applications' data is crucial within the DevOps process workflow and the speed layer provides the alerts hooks so you have the necessary data at your fingertips for rapid assessment of the efficacy of your deployments and creation of any associated value streams.

11.2. Collaboration and Communication

The collaboration tools unify business care team members across different disciplines. You can post monitoring data in your favorite chat app when you detect an outage or an anomaly in the ecosystem. The monitoring also works with incident management systems so that you can route incident tickets and alert notifications when your applications are down or there is an outage with the services, providing both Dev and Ops functions with a single integrated view of the failure while allowing Ops to be the primary interface for the wider business with business-critical integrations.

11.1. Automated Feedback Mechanisms

Continuous learning and improvement is a principle embedded in the DevOps culture. After defining and tracking metrics, it is important to share those metrics with the team and use them as a

basis to enable further improvements. Sharing information between teams accelerates the feedback cycle, reducing the time it takes from when a change is made to when DevOps teams understand the impact the change had on the service, for better or for worse. It also reduces the burden on teams when waiting for someone else to notify them about a potential problem. By implementing automated systems for notifications and alerts, it becomes much easier to share data with everyone.

Increasing velocity in DevOps can sometimes lead to problems like outages or degraded performance. Without controlled feedback mechanisms, there is no way of altering the course of action. Companies have developed telemetry strategies during an iterative approach and have learned which data they need to measure in order to understand the experience delivered to customers. Continuous improvement mechanisms should be implemented based on guidelines and should consist of: (i) start by measuring everything that can affect the developer and customer experience; (ii) select the most relevant telemetry data; and (iii) automate alerts and dashboards based on those key metrics to track improvement following updates done over releases.

A feedback mechanism in industrial processes continuously senses the product and a given output parameter in the immediate vicinity of its value, compares them in a modulator, and modifies a control signal to correct the product parameter. Real-Time Feedback Loops in DevOps work by measuring how a deployed change impacts your user experience or business goals. In this manner, you can show the worth to your company of whatever business function is being provided. has the complete tool set to grab your logs in Security Route Logs and also your Log Search to create visual displays on your Dashboard showing your users' experience in real time. With Application Insights, you can see how your application is performing day to day, report on problems with the app such as user experience, react to data collection alerts in your app, and take various different actions to correct any issues for your customers quickly like approaching downtime.

11.2. Collaboration and Communication

Collaboration and communication are two of the five pillars in the DevOps practices framework and are composed of practices to help teams break down silos and seamlessly share just the right amount of information at the right time. Constantly sending out alerts about different team areas will make it worse. An alert fatigue will be created. There are a few things to share: understanding how the dev scene is utilizing the shared services, providing the dev scene what's needed about upcoming service changes and reporting how the shared service health is being impacted by changes made to the dev scene services, that could end up reaching end users. This sharing should flow back and forth and not be unidirectional.

The need for continuous feedback creates a need for Azure DevOps to integrate throughout the entire DevSecOps toolchain for automated builds, publishes, tests, code reviews, release and deployment approvals, and performance monitoring of all services, leveraging Continuous Integration, Continuous Delivery, and Session Recording and Replay for traditional DevSecOps. Incorporating observability into the design of systems through telemetry collection management allows us to ensure the performance and ease of use of deliverables are monitored and collected for routine evaluation, either manually or automatically, as well as funnel through Azure DevOps to ensure visibility, notifications, analysis, and feedback to inform the team if those features are not being used or if a problem arises that constitutes a priority for a release fix.

Azure Sentinel enables security incident communication, notification, and action plan creation in Azure DevOps boards and service requests with functions available in Teams to autonomously address incidents like phishing type alerts using playbooks and Logic Apps through Azure DevOps pipelines. Overall, Azure DevSecOps enhances and enables collaboration and communication within development and operations throughout the functional delivery and operational lifecycles, integrating throughout the entire toolchain for agile platform, application, and infrastructure enablement.

12. Case Studies

In this section, we present two successful implementations of Azure Monitor and Log Analytics in a DevOps environment. Firstly, we provide an overview of both enterprise implementations. Secondly, we discuss the two implementations, which were both successful, and one of them was poorly successful and gave us a lot of lessons. The implementations gave us a lot of input for future implementations, as many of them were not optimized or badly planned for the customer needs. These implementations were in two different enterprises in different locations and of different markets. In the first implementations, we both implemented Azure Monitor and Log Analytics as an external service.

12.1. Successful Implementations

The first customer was a big company in the automotive market. The company had plans for migration but initially had most of its infra implemented in a private cloud in its HQ. The company owned data centers in each country, maintaining IT teams for each one. That a lot of IT effort of supporting infra in the cloud was not optimal. Therefore, the company was searching for Azure as a solution for future implementations and to make a better operation of infra and to migrate parts of its infra to Azure. We were responsible for migrating part of the infra to Azure. The first phase of the work was to implement Azure Monitor and Log Analytics for all servers in the automotive clients and the HQ systems. After enabling Log Analytics, we needed to

work with Maps and Performance for that phase.

12.1. Successful Implementations

The stringent delivery timelines and focus on fast development have made task and project management using dashboards imperative in modern software development. Challenges such as lack of root-cause identification, lack of service performance views, lack of service fault views, long mean time to detect, and only basic monitoring are faced in traditional and non-DevOps agile implementations. Dashboard implementations have helped organizations realize better management of overall software delivery lifecycles. A few of them are discussed here.

12.1.1. Dashboard Implementation for a Cloud-based HRIS SaaS Product

A developer cloud-based HRIS SaaS product that has offices in multiple countries faced issues identifying bug and fix locations for submitted application bugs for their multi-tenant deployments. They were implementing DevOps for approximately three years; however, their project delivery success factors were not to the desired levels. The major reasons for this were the operations not having the required fault and performance location views for user-reported product issues. Their support team had to follow the trail of user requests, which added to the mean time to detect. Their product had a global presence; therefore, their infrastructure was deployed using microservices and serverless architecture.

DevOps implementation timeline announcements and user request submissions were being tracked, but the support operations had no visibility on the actual status of the tickets. They had a near-real-time view of the microservices failing, but no clarity on why the failures were happening, what had broken, and when the problem would be fixed. The DevOps teams struggled with root-cause analysis and had to enable diagnostic monitoring and logging to get the answers.

12.1. Successful Implementations

DevOps is a new approach to developing software where development, quality assurance, and operations teams closely collaborate through the phases of development, testing, and production operations. Because companies apologize for the cost of writing and deploying code and for downtime, some new strengths found in cloud services are used to improve business solutions. In this chapter, we describe several case studies of companies that have successfully implemented DevOps practices and principles, including three case studies written by customers. The case studies use services including a suite of cloud applications for planning and tracking work and for managing source code, builds, tests, and releases; a service for full-stack monitoring that helps find and fix issues; and part of a monitoring service for collecting and analyzing operational telemetry data.

Table 12.1 lists the case studies in the remaining sections of this chapter,

providing a brief summary. Many people realize that DevOps is more than tools. The guiding ideas of DevOps help explain why these companies adopted the tools used in the examples. For example, one organization recognizes the value of changing the way the work is done in the development and operations groups. To implement change in a large organization, DevOps principles were communicated by internal sessions, and a few internal tools were built. In this way, two-speed IT is being implemented, and the principles create space for groups to change the way their products are built and serviced.

Many enterprises are already embracing Cloud technology and migrating workloads to the Cloud. Azure Monitor and Log Analytics play an important role in supporting enterprises in gaining insights into their Cloud workloads. In this chapter, we explore two example use cases:

Sentinel One: Using data from its customers telemetry and Azure Monitor and Log Analytics, Sentinel One provides Ransomware Defense as a Service to its customers, allowing them to reduce the impact of Ransomware on their businesses. Customers are informed of any potential Ransomware activity on their sites and are guided through the process of remediating the threat.

Veritas: Using Azure Monitor and Log Analytics, Veritas provides Clouds Insights services to its customers, allowing them to meet regulatory and fraud compliance, speeding up data discovery by months and reducing the costs of discovery and legal proceedings.

With these use cases, we focus on how Log Analytics and Azure Monitor support the services provided to the customers while also supporting the internal infrastructure used by our partners to build and run the services. In both cases, the customers are looking for telemetry solutions that can be quickly implemented and adopted. The automation workflow to implement the solutions should be available in a few minutes, and enterprise customers require specialized dashboards. Sentinel One and Veritas have built their own dashboards and mini-Hub solutions on both Log Analytics and Azure Monitor, while also consuming the out-of-the-box ones. With these use cases, we also aim to showcase how key design ideas around Azure Monitor and Log Analytics have made it possible to build production-grade telemetry implementations – at speed and scale, with lower development and operational costs.

12.2. Lessons Learned

The goal of every DevOps software project should be to bust the bottleneck and thus achieve the shortest possible pipeline. Thus, when measuring or monitoring something, we should make sure these measurements are then available as feedback to all employees. In the long run, cycle time speed is what truly makes an organization successful. The consultants' group in a large bank found that 50% of the frontline help desk group was spending that amount of time

only processing 5% of the tickets, those remaining 95% of the tickets were consuming only 50% of the group. Associative rule mining in the ticket text led them to find that these 5% of tickets were caused by 2 or 3 specific problems for customer desktops. The help desk and backend OPS and engineering departments were then able to quickly find solutions to those problems, for example, enforcing security updates at the customer desktop level.

We also learned that within the IT support department in the same bank, the different teams were actually measuring the same thing differently. Each support team had its own custom solution. We managed to simplify support drastically by standardizing the data in the back to a single utility. We learned that prolonged transparency of teams' work provided as feedback without formal management actions enabled reaching of long term goals. The clients in the bank's electronic stores were predominantly institutional clients. Meetings to review and set service improvement goals for the investment banking area were accepted by all but neither were they formal nor were they managed. Still, these meetings were effective, and gradually over the years were able to bring long stabilizations on service levels. This work had no deadline pressure unlike the service area affected by the project.

Feedback loops are critical to improving a project's quality. All feedback loops should be as thin and as fast as they can be, compressed into as quick of a time-span as possible. What is reasonably possible for the effort level dedicated to DevOps and Reliability Engineering? These teams work to make software more reliable across all the deployments and releases that the project ecosystem is managing, as well as pushing for all the manufacturing and verification products to be as compliant, available, safe, and easy to maintain. Expensive overhead in personnel effort or slow tools produced by these teams can be failures in influence and duty. Efficient tooling and automation to enable quick feedback every step of the way are critical to success. As DevOps capabilities become more scalable and available across the product offerings, understanding tools and services for the logging and telemetry needs become critical for planning and execution. This investment helps every engineering scrum continuously improve reliability with as little overhead as possible using shared family components for handling telemetry. Insights in product use and telemetry can also help product teams focus on the most widely used scenario validated by their customers. Early time spent in design can also help reduce what needs to be operated from a management point of view in production, as well as increasing the level of automation that can be utilized for managing the global production deployment. Resources can automatically turn on alerting for issues related to managed services so that they do not need to be manually configured or set.

13. Challenges in Real-Time Monitoring

Effective monitoring of critical parameters in real-time and taking corrective actions across the Continuous Integration and Continuous Development (CI/CD) pipeline are key for any successful DevOps implementation strategy. Effective monitoring presents its own set of challenges. Many organizations are implementing application performance monitoring tools to resolve performance-related issues and oversee their entire software monitoring journey with an innovative yet intuitive interface. These tools provide end-to-end reporting and keep the entire organization in the loop. They eliminate the need for writing and maintaining end-to-end testing scripts required by legacy APM tools. These modern APM tools present their own challenges as well. Dealing with multiple vendors and/or multiple services from multiple vendors enhances the already existing challenges.

Continuous monitoring collects a huge volume of monitoring data that keeps piling with the increased business demand. There are reports of large monitoring data collection organizations storing billions of events, generating daily terabytes of log files, and creating humongous at least a hundred petabyte-sized monitoring data lakes, storage cloud, etc. These numbers are still growing exponentially with the advent of newer technologies, methodologies, and fanatical user communities willing to experiment with newer scalable technology stacks. It sounds counterintuitive to think of performance monitoring tools creating performance-related problems. With the proliferation of big data, organizations can lose track of the sheer volume and volume of this information collected. End users of these tools can drown in the vast data coming in and lose their focus on real-time functionality. Some tools send alerts based on preset triggers. However, they are still subjected to creating false negatives or false positives for the systems they are monitoring.

The second challenge for real-time monitoring is integration issues. In practice, it is not enough to provide one single monitoring system for a company's entire IT ecosystem; it must provide a modular, extensible set of monitoring tools that allow different configurations for different multi-tier services and their components. As companies move towards a services-based architecture, we think that monitoring as a service will evolve to fill in the gaps left in traditional infrastructure monitoring solutions. Multiple cloud-computing companies provided and are currently providing proprietary and/or standards-based monitoring as a service tools and products.

13.1. Data Overload

Real-time monitoring usually means consuming a lot of data quickly. Some consider consuming a lot of data as an overload. Exploration of the monitoring data, dashboards refreshing frequently, active alerts, and data flow from applications, services, and host to the

monitoring platform quickly generate hundreds of thousands of data points. In addition to the monitoring platform, several teams/groups access the monitoring data concurrently and investigate demanding situations, perform troubleshooting to get insights into the technical issue. Without proper planning during the monitoring data building step, the monitoring platform and teams/groups face data flow challenges. Too many alerts, false alerts, noise alerts consume a lot of time to figure out issues and a lot of unnecessary resources in the platform.

The data overload can be reduced by effectively managing the following elements of the monitoring platform. Use purposeful queries. Create alerts to receive proactive notifications. Tune the alerts, remove the false alerts proactively helping the event lifecycle. Remove or disable the data that is not used for the check. Data flow frequency: the frequency of the data flow can be monitored at both the services/application sending data to the platform or at the receiving/monitoring platform side. Hard disk storage and storage info methods available need to be used properly, more effectively, and more efficiently. Reducing the amount of unnecessary data exposure saves storage space and speeds up data access. Protecting privacy-sensitive data is a legal duty. Data retention, the length of time data should be kept, influences how far back in history a user can analyze attributes. Careful management of all storage attributes enables cost-effective use of a monitoring infrastructure.

Quickly gathering data influxes is paramount for organizations that rely on automation and collectobots. Visibility into the status and operations becomes essential, especially when something threatens to see unexpected bot activity or impacts bot performance. The increase in interest around automation and bot activity, both from good sources and bad sources, have both necessitated the demand for quality assurance around bot-related activities. However, gathering data and collecting insights based on that data can be daunting. Since you are collecting data in real-time, how do validate the accuracy of all of that data? How do you monitor what are probably millions of data points showing dozens of metrics coming in every second to deliver a bot management safety net to recognize an issue before it becomes a problem?

Most organizations engage in some degree of data overload and knowledge bottlenecking. It’s common for the data gathering and monitoring journey to start with someone, usually a highly technical individual, requesting real-time monitoring across a multitude of possible bots, then helping to turn that vision into a reality. Once that monitoring is created and validated as successful, it allows for the beginning of providing feedback loops and dashboards. As additional data points and analyses are added, the air becomes thick with too many data points regarding bots and all abnormal activities are sent to those few trusted resources

who built the initial bot monitoring ticket. Detecting alerts take considerable time, especially at the start. That is far from a fix to enable an organization to identify and triage bot issues, allowing leave of the highly technical resources to redirect their activities towards more productive projects instead of micromanaging alerts.

13.2. Integration Issues

Monitoring requires integration at many levels: within the IT system (primarily by integrating at the data collection layer), within DevOps (primarily by integrating people and tools), and among the organizational silos (primarily by integrating the underlying data elements). Only by addressing these issues can real-time monitoring deliver real-time feedback.

A real-time monitoring system that is limited to a single application or service will seldom improve overall performance, business or technical. By creating a more inclusive view of IT system performance across multiple services, you can help prevent network-capacity issues that impact every service that relies on the centralized-source assets. You can proactively detect disk-space issues on shared file systems. You can alert on overly aggressive Security-Operations response systems that can render services unusable for short periods of time. You can identify how multiple DevOps work streams are interacting and potentially conflicting. Feedback from this more inclusive view informs the talent, training, and process choices in DevOps and the extent to which those processes can enable DevOps to deliver across the organization. Ideally, the only time-related feedback from the monitoring system is the avoidance of outages. Beyond that, it should be response-time or workload-balance based.

More generally, when devising how the monitoring system will drive DevOps behavior, you should elevate response time and service performance to the top of the priority list. People will more quickly lose faith in the ability of DevOps to deliver improved service performance than they will to mistakenly believe that insufficient time spent on performance optimization implies effective execution. In a global economy where many services compete directly for the same customers, small differences in efficiency are critical differentiators. However, attempting to derive those improvements through an after-the-fact technique can be greatly counterproductive.

14. Best Practices for Effective Monitoring

Monitoring your system might seem like an easy thing to get right if Azure has all the hard work done for you. It doesn’t have to be time-consuming, but it does take care and attention on your part, or you could miss vital telemetry that can help you respond to issues and improve your system over time. In this section, you’ll learn about best practices that will ensure that your telemetry is effective and makes the most of your investment in monitoring and monitoring services.

For your telemetry to be effective, you need to capture the right data, and to do this you should focus on a few key areas. The first thing to do is to define clearly the key metrics that matter to you. Understanding how monitoring and analytics work, and being best utilized is crucial for this definition because then you will know what to log and what to ignore in your application, OS, and infrastructure. Best practices recommend having predefined service SLAs (Service Level Agreements). This isn't the most common practice in the industry, and doing so requires having an initial alignment budget.

15. Future Trends in DevOps Monitoring

As organizations increase the adoption of DevOps strategies, there will be a shift toward specialized monitoring solutions that can better meet the needs of DevOps teams and the environments they are responsible for. This means that we may see a further movement away from traditional monitoring tools and the adoption of new tools and services that are focused more on collaboration, automation, rapid detection and response times, improved setup and use experiences, and more actionable insights. Some of the trends we're seeing that will help shape the future of DevOps monitoring space include:

15.1. AI and Machine Learning

As the technology around Artificial Intelligence and Machine Learning matures, we will see a wider usage of techniques from these fields such as anomaly detection and insights from predictive forecasting. For several years now we have seen the beginnings of this trend with some observability solutions starting to incorporate intelligent anomaly detection or predictive features, but those features are still limited in scope. Particularly machine learning techniques have proven useful in the area of fault and incident management to surface insightful recommendations faster and discover related incidents and faults quicker. This motivates companies to invest in these areas more and more. As companies grow their unleveled growth and lack of stable practices, it becomes increasingly important that DevOps practices and processes can be supported and automated.

15.2. Enhanced Automation

Automation can be a double-edged sword. On one hand, it drives increased agility and power for teams, but at the same time, dumping more code changes quickly without proper validation can create "noise" for users who would like to know when something actually goes wrong. A promising area of development is not just speed, but the oversight needed to use automation credibly. The future of DevOps Monitoring will focus on challenging the dual-edge with maturity models and executive dashboards that include oversight for risk assessment and validation.

DevOps continues to grow, and if we look at the probable future DevOps scenarios, we must also consider the probable future trends in DevOps

Monitoring and Logging, because without logging and monitoring there is no continuous feedback from each DevOps phase that would allow the improvement of the whole process over time. We believe that along the years, with the increased usage and dependency of AI and ML tools, gathering, analyzing, and learning from the data collected from the application monitoring and logging tools will become automated thus powerful insights could come back automatically to the appropriate teams improving the speed and delivery of the solutions. In the following sub-sections we elaborate on two trends that we consider important for DevOps Monitoring and Logging.

AI and Machine Learning

The increased dependency of AI and ML tools will enable organizations to leverage all the data gathered by the SysAdmin tools and DevOps tools and apply the appropriate algorithms to assist and accelerate the help ticket resolution process, the change request validation, approval, and push to the Production environment, the infrastructure provisioning, and provisioning of governance-required security standards.

Imagine a future situation where the organization has trained its own AI/ML engine based on the history of previously gathered data from SysAdmin, DevOps, and monitoring tools, and as such, it is able to make the following:

- perform intelligent automation tasks such as automatically closing help desk ticket requests and change requests based on requests received during the previous weeks/months/years, thus assisting the IT SysAdmin and Development teams to focus on more innovative activities;
- perform intelligent alerting such as alerting the relevant IT team with actionable insights for help tickets already resolved previously. This way, the different IT teams would not spend hours or days to figure out the cause of the issue which is already known;

15.1. AI and Machine Learning

As a result of the increased complexity in IT systems and rapidly growing data volume, organizations are eager to improve user experience, gain real-time actionable insights, and increase automation. 55% of the respondents expect that the usage of AI and ML in monitoring will grow in upcoming years. With the implementation of more IT automation, there is an even greater need for advanced automatic alerting and anomaly-detection solutions. Economical pressures from the IT operations teams, specifically SREs, DevOps as well as NOC teams are leading them to rethink the tooling for reducing operational costs. Tools and technologies need to adapt and become more intelligent.

The investment in AIOps continues to grow. The market size of AIOps is expected to grow significantly in the coming years. Instead of perceiving AIOps as isolated use cases, we should view that as intelligent augmentation of existing solutions and not an outright replacement. Vendors are implementing

AIOps capabilities into existing monitoring and observability tools, making a variety of use case scenarios more intelligent and less labor-intensive.

DevOps monitoring gets data overload. Yet, the human mind fails to detect many patterns in that data. To remedy that assertion, promising experiments harnessing the power of machine learning have successfully been conducted on subsets of such data. With further work on the automation of analytics in monitoring solutions, those success stories may become commonplace, allowing DevOps teams to gain confidence and detect possible critical incidents well before the issues emerge in production.

15.2. Enhanced Automation

The discipline of DevOps is evolving rapidly, and traditional monitoring capabilities will integrate sophisticated capabilities to enhance automation of more operational aspects of the environment. Modern monitoring systems are leveraged to collate massive amounts of data from diverse monitored sources; however, until now this data has largely been used for post-factum reporting and intelligence. Highly mature organizations in application delivery and deployment are making use of their logging and monitoring capabilities to actively monitor and automate remediation of production state violations. For example, you may have the capabilities to report that a microservice experiencing an unusual number of 500 HTTP responses that might indicate service failure, but true automation may suspend that service, deploy a canary release, and direct traffic to the canary prior to alerting a human on call team while executing the same steps on stage, UAT, and dev slots. Organizations with the highest maturity levels can revert applications based on AI and ML training or rules.

Automation allows the entire DevOps pipeline to take center stage, serving both developers and DevOps teams throughout the software development process. Cloud-based dashboards from partners bridge the featured walls between DevOps teams, application developers, and the hearts and minds of the users. In combination with infrastructure-mostly cloud services (that minimize the relevance of cloud APIs while reducing incident volume), the system creates a self-healing application deployment environment, reducing the need for DevOps teams to keep responding to similar failures. As demand for large cyber-physical capacities rises elsewhere, the management of cloud and hybrid infrastructures will continue increasing in importance, while functioning through automation.

16. Conclusion

This book presented a synchronous, integrated, DevOps pipeline feedback loop to deliver low-risk releases continuously with fast response times: During Code Development send telemetry data from application components continuously to monitor services, where the data is processed in

real time and immediately fed back to Development Teams for rapid proactive preventative responses. This loop also uses release data sent from CI systems to monitor services continuously and directly in real time for similar purposes. During Application Operation the loop leveraged advanced analytics including machine learning alerting to notify Teams to reactively respond to near-real-time detected problems along with synthesis capabilities to distill, curate, auto-generate notification, and triage problems into problems for Team identified root causes. To achieve a purposefully balanced pipeline approach, the book integrated advanced capabilities into each step of the pipeline approach to ensure adequate northeast- and east-bound telemetry data and feedback. While Department and Team isolated silos may fail to deliver the value of the Team-based Dev Ops Pipeline, and while an isolated function in the Team may by definition alone fail to optimize task assignment efficiency to deliver low-risk multiple fast-response time applications for initial key customer milestones, the book showed how to put telemetry hubs, telemetry processed feedback loops, and operations monitoring capability into the design for the feedback loop for application new product releases and service and maintenance modified releases, and joint need and capability prioritization communication and sound feedback return commands into the design for the joint telemetry data processing hub and monitoring feedback return capabilities not only to fit but to enable the work sharing. We hope our conceptual Telemetry Hubs and Feedback Loop designs in concert with content for key Ops decisions and reporting dashboards enable your Team to speed your Telemetry Hubs and Advanced Monitor and Feedback Loop design time pipeline throughput using the Monitor and Log Analytics capabilities into each loop function.

In order to enable better collaboration, and ensure proper coordination and handoffs, as companies implement and evolve a DevOps culture, discipline, and infrastructure, the traditional silos between the development and operational teams have to be broken down to enable accelerated product innovation. Also, as businesses look to harness emerging technology trends, the software product cycles must enable quick iterations and rehearsals based on simulated data. By establishing a real-time monitoring and feedback mechanism, organizations can enable these processes, and take the next big step to unlock the potential of DevOps principles within their organization.

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A GEOGRAPHICAL ANALISIS OF THE AREA UNDER SORGHUM CROP IN DHRASHIV DISTRICT

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"A GEOGRAPHICAL ANALISIS OF THE AREA UNDER SORGHUM CROP IN DHRASHIV DISTRICT".

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Abstract

The total area under cultivation in Dharashiv district in the year 2021-22 is 1079819 hectors, out of which 151778 hectors are under sorghum cultivation out of this area 3004 hectors. Are under kharif sorghum cultivation and 148774 hectors are under rabbi sorghum cultivation. In the study area out of the total cultivated area in the district , the area under sorghum cultivation is highest in Bhum taluka at 25.73% and lowest in kalamb taluka at 5.81% . A comparison of the area under kharif sorghum and rabbi sorghum cultivation Dharashiv district shows that the area under rabbi sorghum cultivation is more than the area under kharif sorghum cultivation.

Introduction

Agriculture is an important and major occupation in Maharashtra. This occupation is a very ancient and primary occupation and about 70/80% of the people of the state are directly or indirectly involved in this occupation. Due to the uneven distribution of rainfall and the changing weather conditions of recent times, farming has become uncertain. But in Maharashtra, a radical change is seen in traditional agriculture. Agriculture is developing due to hybrid seeds, chemical fertilizers, modern irrigation methods, pesticides, improved farming methods. Due to these modern facilities, the production of almost all crops has increased. Although the area of cash crops is increasing due to modern irrigation, the area of food crops like sorghum is decreasing drastically. This is because the increased trend towards cash crops due to modern technology and the financial support from the government for the cultivation of cash crops; all these factors have affected the area of sorghum cultivation.

Objectives

To study the area under sorghum cultivation in Dharashiv district and study the distribution of area under kharif and rabbi sorghum cultivation.

Study Area

The presented research paper has been selected from Dharashiv district of Maharashtra. This district is located in the eastern part of Marathwada and extends between 17° 35' North and 18° 40' North latitudes and between 75° 16' East and 76° 40' East longitudes. The area of this district is 7569.4 sq. km. and ranks 24th in Maharashtra in terms of area. For administrative convenience, four revenue subdivisions of the district have been created: Bhum, Kalamb, Dharashiv and Umarga.

There are a total of eight talukas in Dharashiv district. These include Dharashiv, Tuljapur, Bhum, Vashi, Kalamb, Parand, Umarga and Lohara. Some parts of this district are rocky and the rest are flat and have an average altitude of 600 meters above sea level. Kalamb and Vashi talukas are in the Manjara river valley. While Dharashiv, Umarga and Lohara are in the Terna river valley and some parts of Paranda, Bhum, Tuljapur and Umarga fall in the Sina river valley.

The average rainfall of Dharashiv district is 760 mm and a total rainfall of 859.58 mm has been recorded in the year 2021. The land is generally divided into two types and crops are grown in both Kharif and Rabi seasons. According to the 2011 census, the total population of the district is 1657576. Out of which 861535 (51.98%) are males and 796041 (48.02%) are females.

Research Methodology

In this research paper, the area under Kharif and Rabi Sorghum cultivation in Dharashiv district has been studied and all the information for this purpose has been obtained based on secondary data such as Taluka wise total area under crop and Kharif and Rabi area under crop. This information has been taken from the Socio-Economic Review of the district and Dharashiv Gazetteer.

Based on the formula below, the total area under jowar cultivation and the total area under cultivation in the district as well as the percentage of area under kharif and rabi jowar cultivation in taluka wise have been calculated.

$$1. \quad PSC = \frac{DSC}{DCC} \times 100$$

PSC = Percentage of area under sorghum crop cultivation
DSC = Total area under sorghum crop cultivation in the District
DCC = Total area under crop cultivation in the District.

$$2. \quad PSC = \frac{TSC}{DSC} \times 100$$

PSC = Percentage of area under sorghum crop cultivation
TSC = Taluka wise total area under sorghum crop
DSC = Total area under sorghum crop cultivation in the District

$$3.\quad PSC = \frac{TKS}{DKS} \times 100$$

PSC = Percentage of area under sorghum crop cultivation
TKS = Taluka wise area under Kharif Sorghum crop
DKS = Total area under kharif Sorghum crop in the District

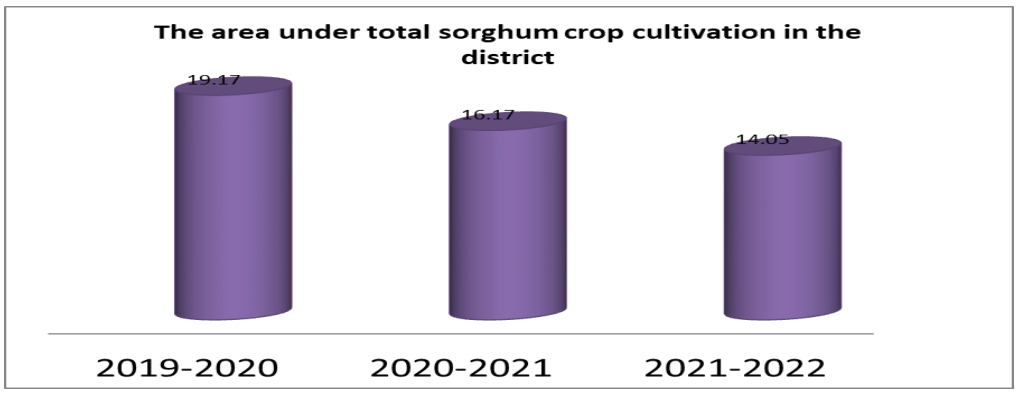
Subject Discussion

Sorghum is an important coarse grain crop of Dharashiv district and is known as a dry season crop. This crop is grown in medium soil with a temperature of 25 to 26 degrees Celsius and 50 to 75 cm rainfall.

Total area under crop cultivation &Total area under sorghum crop cultivation

Table No. 01 (हेक्टर०००मध्ये)

Year	The area under total sorghum crop cultivation in the district		Total area under crop cultivation in the district
2019-2020	186882	**19.17 (%)**	974413
2020-2021	175827	**16.17 (%)**	1087083
2021-2022	1541778	**14.05 (%)**	1079812



The above table shows that in 2019-20, 19.17% of the total crop area was under Sorghum cultivation, while in 2020-21, the area under Sorghum cultivation was 16.17%, while in 2021-22, the

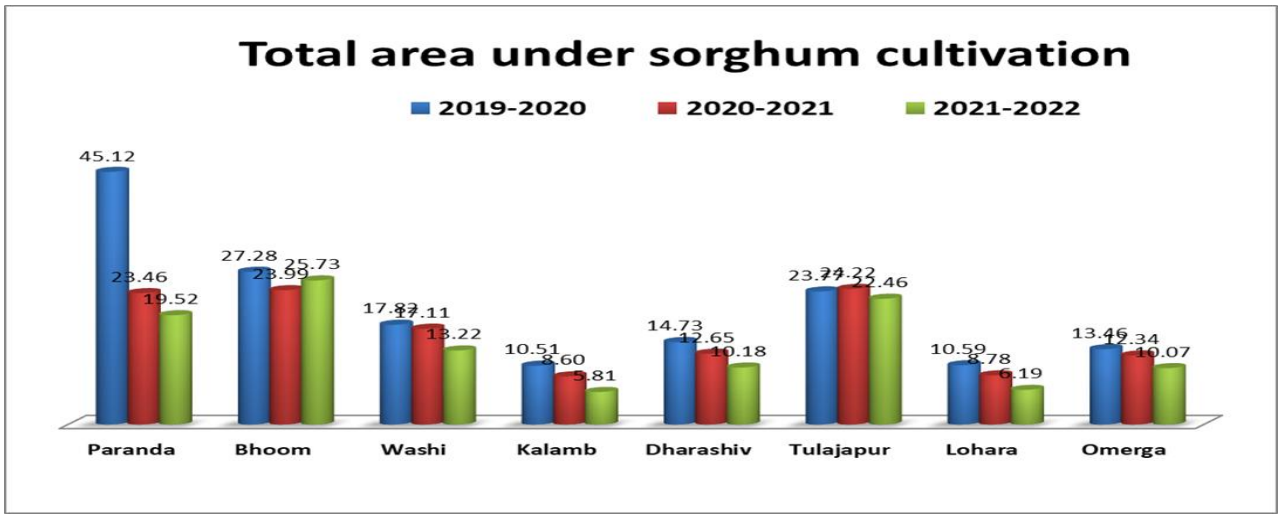
same proportion was 14.05%. This means that the total area under Sorghum cultivation is decreasing significantly day by day.

So now let us take a look at the total area under sorghum cultivation in the district, taluka-wise.

Tehsil-wise total area under sorghum crop cultivation

Based on the information available in a total of eight talukas in the district, the total area under sorghum cultivation and in which talukas in the district a very large amount of sorghum is cultivated and in which talukas in the district a very small amount of sorghum is cultivated are explained in the table below on a percentage basis.

Sr.	Taluke	2019-2020		2020-2021		2021-2022	
		The area under total sorghum crop cultivation (%)	Total area under crop cultivation	The area under total sorghum crop cultivation (%)	Total area under crop cultivation	The area under total sorghum crop cultivation (%)	Total area under crop cultivation
01	Paranda	45.12	75511	23.46	85788	19.52	96617
02	**Bhoom**	**27.28**	**100987**	**23.99**	**12.630.3**	**25.73**	**106512**
03	Washi	17.82	81035	17.11	86958.8	13.22	86483
04	**Kalamb**	**10.51**	**142904**	**8.60**	**162265**	**5.81**	**152869**
05	Dharashiv	14.73	196443	12.65	221065	10.18	223920
06	**Tuljapur**	**23.77**	**175678**	**24.22**	**187897**	**22.46**	**193696**
07	Lohara	10.59	73560	8.78	853895	6.19	84413
08	Omerga	13.46	128215	12.34	137090	10.07	135309
09	**Total**	**19.17**	**974413**	**16.17**	**1087083**	**14.05**	**1079819**



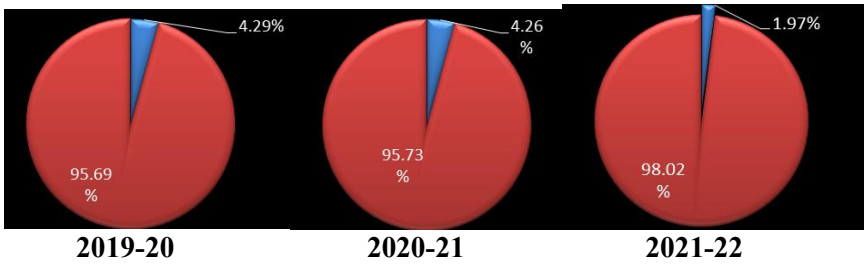
The above table shows that out of the total cultivated area in the study area district. Paranda taluka had the highest percentage of sorghum cultivation in 2019-20, 45.12% followed by Bhum taluka at 27.28% and Tuljapur

taluka at 23.77%. There was a significant change in sorghum cultivation in 2021-22 with Paranda taluka having the highest area at 25.73% followed by Tuljapur taluka at 22.46% and Paranda taluka at 19.52% Based on the above information it can be said that sorghum cultivation is decreasing.

Kharif & Rabbi Sorghum Crop

Total area under sorghum crop cultivation in the district & Total area under Kharip and Rabbi sorghum crop cultivation in the district

Table No.-03



Year	Total area under **Kharif** sorghum crop cultivation in the district	Total area under **Rabi** Sorghum cultivation in the district
2019.-20	4.26 (%)	95.73 (%)
2020-21	4.29 (%)	95.69 (%)
2021-22	1.97 (%)	98.02 (%)

From the said table, it can be seen that there is a huge decrease in kharif crop cultivation considering the area under kharif and rabbi sorghum crop cultivation under the total sorghum crop cultivation. The area under kharif sorghum cultivation in 2019-20 was 4.29% and in 2021-22 it was 1.97%. In contrast rabbi sorghum cultivation was 95.75% in 2019-20 and 98.02% in 2021-22.

From the above information it is evident that the area under kharif sorghum cultivation is decreasing day by day compared to the area under rabbi sorghum cultivation.

Kharip & Rabbi Sorghum Crop under Total cultivation Area in the District

Table No. 04

	Taluke	2019-2020		2020-2021		2021-2022	
		Kharip Sorghum Crop (%)	Rabbi Sorghum Crop (%)	Kharip Sorghum Crop (%)	Rabbi Sorghum Crop (%)	Kharip Sorghum Crop (%)	Rabbi Sorghum Crop (%)
01	Paranda	00.00	19.04	00.00	11.96	00.00	12.67
02	Bhoom	1.39	15.33	00.50	17.18	0.66	18.28
03	Washi	12.56	7.51	13.56	8.23	24.20	7.19
04	Kalamb	24.22	7.31	28.00	7.03	8.98	5.79
05	Dharashiv	10.34	15.71	4.33	16.42	4.19	15.24
06	Tuljapur	16.08	22.63	6.37	26.76	6.79	29.10
07	Lohara	7.97	4.00	6.95	4.14	3.99	3.39
08	Omerga	27.41	8.42	40.25	8.25	46.47	8.29

From the above table it is seen that out of the total sorghum crop cultivation in the district. The highest proporation of kharif sorghum crop cultivation is 27.41% in umerga takula and 24.22% in kalamb taluka while the lowest cultivation in 2019-20 is in paranda taluka. In 2021-22 46.47% of kharif sorghum has been cultivated in umerga taluka and followed by 24.20% of kharif sorghum cultivation in vashi taluka. While the lowest cultivation has been in paranda taluka. Similar to kharif sorghum cultivation the area under Rabi sorghum in the district is also seen. Out of the total area under crop cultivation in 2019-20. Tuljapur taluka has 22.63% area followed by Dharashiv taluka with 15.71% area under Rabi sorghum cultivation.

So in the year 2021-22, the area umder Rabi sorghum cultivation in Tuljapur taluka is 29.10% followed by Bhum taluka with 18.28% this also shows a positive change in the area under Rabi sorghum cultivation.

Conclusion-

In the study area out of the total taluka – wise cultivation area as per 2021-22, the highest area under sorghum cultivation is in Bhum taluka and the lowest area under sorghum cultivation is in kalamb taluka . In the taluka where the area under kharif sorghum is less, the amount of kharif sorghum cultivation is seen to be high kharif and rabbi sorghumis found to be inversely proportional.

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TECHNOLOGY AND SUSTAINABILITY IN RETAIL

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TECHNOLOGY AND SUSTAINABILITY IN RETAIL

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Abstract

The retail sector is going through one of its most revolutionary periods. Emerging digital technologies, including Artificial Intelligence (AI), the Internet of Things (IoT), and Data Analytics, are crucial in changing how shops function as sustainability becomes a global issue. This study looks at how these technologies support sustainable behaviors like ethical sourcing, circular supply chains, waste reduction, and energy conservation. The study is based on secondary data from journals, industry reports, and worldwide sustainability frameworks, as well as primary data gathered through surveys and informal interviews with retail staff and shop managers. The results show that intelligent technologies help merchants retain supply chain transparency, improve decision-making, and drastically cut operational waste. Despite these developments, there are still gaps in knowledge about how some technologies may affect the environment in the long run and whether small merchants can use them. Overall, the study comes to the conclusion that technology-driven sustainability is now an ethical requirement for a robust, future-ready retail industry rather than a competitive advantage.

Keywords: Waste Reduction, Supply Chain Transparency, Artificial Intelligence, Internet of Things, Data Analytics, Tech-Driven Retailing, and Sustainability

Introduction

Retail is only one of several industries that are changing as a result of the global movement toward environmental responsibility. Retailers play a critical role in the transition to sustainability because they operate at the nexus of production and consumption. Customers and legislators want shops to embrace ethical and environmentally beneficial practices due to growing worries about carbon emissions, waste generation, plastic pollution, and climate change. Consumers nowadays are not passive; they are increasingly drawn to companies that demonstrate accountability, fairness, and openness. A sustainable shopping experience is now a standard expectation rather than a luxury. This change has prompted merchants to explore beyond conventional business models and make investments in technologies that enable them to strike a balance between environmental stewardship and profitability. AI, IoT, and data analytics have become significant enablers in this regard. Everything from trash monitoring and consumer interaction to inventory planning and warehouse automation is being transformed by these solutions. Technologies reduce inefficiencies that formerly led to resource waste by analyzing real-time data and forecasting consumer behavior. While data analytics helps analyze supply chain patterns and highlight areas requiring sustainable changes, IoT sensors also enable stores to monitor energy use, minimize spoilage, and optimize logistical routes. This study investigates these interrelated functions and looks at how technology is influencing sustainable retail in the future.

Literature Review

A significant body of literature indicates that digital transformation and sustainability are now deeply intertwined in retail.

AI and Predictive Skills

According to Patel and Mehta (2021), one of the primary causes of retail waste is overproduction, which is avoided using AI-based forecasting systems. Their research demonstrates how machine learning models can make precise stocking selections by analyzing real-time consumer behavior, weather trends, festivals, and purchase history.

IoT for Visibility in the Supply Chain

Zhang et al. (2020) investigate how IoT might improve supply chain transparency. Their research demonstrates that IoT sensors installed on shelves, logistics vehicles, and cold storage units can monitor product conditions and energy use. This minimizes spoiling and needless emissions by enabling shops to act swiftly during malfunctions or delays.

Data Analytics in Sustainable Decision-Making

Data analytics helps retailers transition from reactive to predictive sustainability, according to Kumar and Sharma (2022). Analytics makes it possible to implement preventive tactics based on historical and current data rather than waiting for issues to arise (such as stockouts or waste accumulation).

Industry Perspectives

According to Deloitte's 2023 research, technology improves customer trust, brand reputation, and regulatory compliance in addition to being a cost-saving tool. Businesses that value sustainability in communication, packaging, shipping, and sourcing are increasingly rewarded by consumers.

A recurring theme in all of the research is that technology will be the foundation of sustainable retailing in the future. Increased shelf availability for high-demand products; decreased storage and handling expenses; decreased product waste from unsold goods; and improved planning for festivals, promotions, and weather-based demand changes,.

Additionally, workers reported that AI reduced human mistake and relieved the strain of manual stock counts.

Objectives of the study

1. To investigate how AI enhances sustainability in retail operations.
2. To assess how employees and customers see technology-driven sustainability initiatives.
3. To identify gaps and areas where further research is needed.

Type of Study

The Research is based on:

Secondary Data

- Academic journals
- Industry publications (Deloitte, McKinsey, UNDP)
- Case studies from major shops (such Walmart, IKEA, and Tesco)
- Government sustainability guidelines
- Research databases and online publications

Data Interpretation and Analysis

5.1 AI for Optimizing Inventory

Secondary research indicates that AI-based systems significantly decrease problems like overstocking and under stocking. AI systems forecast supply requirements by analyzing consumer preferences, seasonal demand, and sales trends.

5.2 IoT for Waste Management and Energy Efficiency

Smart shelving, motion-activated lighting, temperature monitoring sensors, and automated cooling systems are examples of IoT devices that are being used more and more. Industry reports suggest that IoT-enabled retailers have experienced noticeable reductions in energy costs.

Key findings from secondary literature:

- IoT sensors prevent spoilage by alerting staff when refrigeration temperatures fluctuate.
- Automated lighting reduces unnecessary electricity usage during off-peak hours.
- Waste bins equipped with fill-level sensors help schedule timely garbage collection.

5.3 Data Analytics for Transparency in the Supply Chain

Retail studies emphasize how analytics tools and data dashboards enable organizations to comprehend: Logistics routes' carbon footprint; vendor performance and ethical sourcing criteria; inventory turnover ratio; and waste generation trends. Guesswork is replaced with evidence-based planning in decision-making thanks to analytics.

Interpretation

The findings from secondary data clearly show that AI, IoT, and Analytics are not isolated tools—they work as an integrated ecosystem that supports sustainability at every stage. For instance:
• AI forecasts demand
• IoT monitors real-time operations
• Analytics helps interpret performance

Together, they reduce environmental impact while improving operational efficiency. Sustainability becomes an organizational objective supported by technological systems.

Results

Retail technology is rapidly demonstrating that profitability and sustainability can coexist. AI and IoT technologies contribute to significant cost savings by minimizing waste, lowering electricity usage, and improving resource utilization. At the same time, predictive analytics empowers retailers to make informed decisions about procurement, transportation, and shelf management, reducing the chances of overstocking, stockouts, and inefficient logistics. These technological improvements also foster greater consumer trust, as modern customers prefer brands that maintain transparency in their sourcing practices and environmental commitments

.Limitation of the Study

- Organized retail chains were the study's main emphasis; tiny and rural businesses might not have access to cutting-edge technology.
- Deeper quantitative investigation was hindered by the restricted availability of proprietary data.
- Some findings may change quickly due to the rapid evolution of technology.
- Environmental effect measurements were based on reported industry data.

Research Gaps and Missing Information

- Long-term ecological impact of deploying digital devices (e-waste generation)
- Cost-benefit comparison for small retailers adopting these technologies
- Consumer willingness to pay more for tech-driven sustainable products
- Availability of government subsidies or incentives for sustainable technologies
- Detailed carbon footprint analysis of AI and IoT systems themselves

Conclusion

The merging of sustainability and technology marks a watershed in the development of retail. AI, IoT, and data analytics are catalysts for a more responsible and environmentally friendly future rather than just functional tools. These technologies enable merchants to operate transparently, cut carbon emissions, and eliminate waste. Additionally, they improve customer loyalty and brand reputation, both of which depend more and more on moral corporate conduct.

Adopting technology-driven sustainability is now essential for long-term success as the retail industry continues to change. In addition to improving the environment, retailers who adopt this strategy will establish themselves as leaders in a global market that is becoming more environmentally sensitive.

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