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Are Indian companies striking a work-life-balance?



It's high time more Indian companies adopted a healthy work-life balance approach if they are serious about acquiring and retaining top talent and its creative spirit

By Benedict Paramanand

I believe that every MindTree team member lives by our DNA of Imagination, Action, and Joy - Ashok Soota, CEO & Managing Director, MindTree Consulting Pvt. Ltd.

Mr. Soota represents the new-age entrepreneur-CEO ilk, which is striving to bring the joy and fun element into the workplace. NIIT perhaps beats everyone by institutionalizing fun by appointing chief fun officers. NIIT even gave dating allowance to the romantically inclined.

Fun at work is fine but encouraging work-life balance needs a greater commitment to the well being of the managers. It is a holistic approach where companies encourage and support an associate to be happy at office and outside as well.

It is indeed hurting to see a majority of Indian companies still wedded to the old-style *presenteism* philosophy instead of offering managers opportunities to strike a healthy work-life balance. Call it market pressure or the pre-industrial mindset of Indian corporates, the change has been pretty sluggish. It's not surprising that the Generation X or a geek is more loyal to their/his career than to the company.

Globally, however, the two-decade-old work-life balance debate has made much progress. From a one-sided employees' attempt to change the hearts and minds of the company chieftains, the debate now centers around developing tools that help employers gain in productivity, customer retention and the bottom line - in that order - by employing an effective work-life balance approach.

It appears that the snailish pace in India is also to do with the submissive nature of the Indian managers. This is clearly evident when Indian managers go abroad to work. Instead of enjoying the long-weekends and the 9 to 6 work hours, Indian managers typically stay in late more often than others.


Fortunately, big IT companies in India are leading the trend in providing an enjoyable work environment and flexible work hours. But the real test of their

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commitment comes when market conditions turn unfavorable. Companies are investing in recreational and sports facilities on work sites but people stay longer hours in such places, which is not what managers' families would want.

Flexi-time, touted as a panacea for stressed out managers, is no longer in fashion in the post dotcom era. Many high flying managers, especially women, fear that their career prospects may be hurt if they insist on working flexibly especially in organizations where they are seen as lacking in commitment.

Clearly, many companies are beginning to see work-life balance as an enabler of diversity, and diversity is critical to their existence. "We have to have diversity of thought and diversity of connections with our clients, or we become irrelevant," says an HR head of an auto company in Chennai.

Managers with better work-life balance develop into well-rounded personalities, not one-dimensional blokes they are forced to become in old-fashioned companies. And managers who pursue hobbies and enjoy a satisfying family life are known to be sharper and more creative – attributes that companies pay dearly to acquire.

"Worker friendly employers are outperforming more profit-minded rivals....such firms are going to pull still farther ahead in the future as easier access to capital and technology makes other competitive strategies even simpler to imitate."

Measuring the benefits

Emmett Seaborn, principal at Towers Perrin in Stamford, Connecticut, USA, offers a detailed approach to calculating ROI on work-life balance programs. "We look at the linkages between three components: the impact of programs on employee behaviors, how these behaviors drive customer intent to repurchase, and how the customer intent to repurchase drives financial results. To maximize ROI, we compare one portfolio of HR programs with another, including the more quantifiable items such as pay and benefits, as well as environmental factors such as work/life balance."

Experts at FutureWorks Institute suggest:

- Companies should define their work-life balance objectives and communicate it effectively through workshops or regular mails
- Evolve a method of measuring the success/failure of work-life balance programs
- Conduct regular employee satisfaction surveys and communicate the results to all stakeholders
- The HR and departmental heads should be empowered sufficiently
- For work-life balance policy to succeed it should be flexible and sensitive to the special needs of the families and the women executives

At a time when the premium on talent is at its peak, a robust work-life approach could well make the difference to the future of today's companies.●

C K Prahalad on 'Next' best practices

Companies should not focus on matching the best practices of today's market leaders but pursue next practices



You can catch up using *Best Practices*, but you cannot become the leader. Strategy is not an extrapolation of the past.- C.K. Prahalad, professor of corporate strategy and international business at the University of Michigan said at a Wharton Conference on "Peripheral Vision: Sensing & Acting on Weak Signals" in May 2003. He asked

companies not to focus on matching the "Best Practices" of today's market leaders but to pursue what he calls "Next Practices."

To stay ahead corporate strategists must pay careful attention to the many ways in which today's converging markets and technologies are redefining the role of the firm and the value it provides to customers.

"Strategy is about searching for new sources of competitive advantage," Prahalad said. "It is about being unique, creating wealth, and inventing new rules and new games ... it involves creating carefully orchestrated experiments and thinking big. New opportunities may come either from the core or from the periphery."

A first step in that direction is to analyze how changes in technology are challenging old assumptions about the way value is created, Prahalad noted, adding that he believes "there are more opportunities for innovation than ever before, but we must start by looking through a new lens." His analysis, elaborated further in his upcoming book, *The Future of Competition: Co-Creating Unique Value with Customers*, began by analyzing the lens that corporate strategies traditionally use to define value creation. Prahalad called this "the implicit assumptions behind value creation that drive every effort at innovation."

The new value creation paradigm

The "New Value Creation Paradigm" involves very different assumptions that are the basis for the success of companies such as FedEx, Lego Mindstorms and Napster.

- First, value is created at the point of exchange.
- Second, value is co-created by the consumer and the firm. The value is created only when the customer and the firm work together.

- Third, value is embedded in experiences; products and services are carriers of experience. The supply chain is not set. It is an experience chain that has to be selectively activated.
- Fourth, the value chain involves experience fulfillment webs; it is not sequential and linear.
- Fifth, innovation is about experiences; technologies, products and processes are critical, but they are not the goal.
- Sixth, customers make a choice.

The implications of this new paradigm are significant. Prahalad suggested that strategists rethink the ways they define and assess the value of their products and services - using the lens of this new paradigm.

How the new paradigm affects

- **Innovation goals:** The traditional focus was on new products and processes; the new goal should be on "experience environments."
- **Basis of value:** The traditional focus was on products and processes; the new focus is on "co-creation experiences."
- **View of Value Creation:** The old assumption was that the firm would create value through "supply chain-centric fulfillment." The new assumption is that value will be co-created in experience environments for individuals.
- **The focus of development:** The old focus was on low cost, high quality, high speed and modularity. The new focus is on "granularity, extensibility, evolvability, and linkages."
- **View of technology:** The old focus was on features and function and on technical integration; the new focus should be on "experience enablers" and "experience integration."

Strategists who are striving to create "Next Practices" must adjust their mindset - and meet the new value paradigm. More specifically, they must create intelligent products/services, and they must develop and nurture an experience network among consumer communities. They must enable transparency and dialogue with their customers. They must provide customers with real-time access and action, and must cope with the heterogeneity and complexity of their changing needs. They must rely on input from alliances. And they must be prepared to rapidly reconfigure their products and resources in response to changing market needs. ●



Shareholder value depends on human capital funding

A team of Accenture's researchers has made dramatic progress in a two-stage effort to demonstrate conclusively the link between human capital development practices and total shareholder return, and to provide practical guidance for the investments likely to yield the greatest return. In the first stage, the team developed and field-tested what Accenture calls the Human Capital Development Framework. The second stage, based on initial work with companies, has begun to empirically establish the link between human capital investments and shareholder value.

The May 2003 issue of Outlook, Accenture's management journal, reports about the framework which is an analytical, measurement and planning tool that enables an organization to identify and measure the human capital factors that affect

The economic benefit an organization can realize as a result of a human capital development initiative varies in direct proportion to the quality of its human capital development enablers, resources and operations, as well as the capabilities it has developed in leadership, managerial competency, time to competence, workforce proficiency, engagement and retention.

organizational performance, and its measurement methodology is repeatable. Using the framework also allows an organization to establish a database so it can set benchmarks for itself against its competition in key human capital development areas. The tool also makes it possible to predict a return on investment from specific human capital investments and/or interventions.

The approach uses four distinct levels of measurement in arriving at an assessment of an organization's human capital practices and in determining the benefits it receives from investments in people.

- Tier 1, business unit results, consists of measures of organizational performance.
- Tier 2 deals with those key performance drivers that directly contribute to business unit and/or enterprise results, often captured on a balanced scorecard.
- Tier 3, human capital capabilities, consists of the most immediate and visible people-related qualities needed for achieving critical business outcomes.
- Tier 4, human capital processes, consists of granular measures of human capital enablers, resources and operations.

This framework provides a foundation for assessing an organization's current capabilities with regard to human capital development. The economic benefit an organization can realize as a result of a human capital development initiative varies in direct proportion to the quality of its human capital development enablers, resources and operations, as well as the capabilities it has developed in leadership, managerial competency, time to competence, workforce proficiency, engagement and retention.

Data is collected at all four tiers of the framework. The result is a human capital development scorecard that presents an organization's ability to use human capital to generate business results, which is issued to the participating organization.

The results can then be compared with the results of scorecards done previously for the same company, for another business unit in the same company or for other companies in the human capital development benchmarking database. Because the assessment is built around a predictive capability model, recommendations to improve in a specific factor area are fairly clear. These recommendations help the organization focus on interventions having to do with human capital enablers, resources and operations that can, in turn, drive improvements.

- BP

Do you use technology to reshape your business?

Even if most companies have lost their zeal for tech-driven transformation fast companies are keeping the faith. They believe that the Internet remains the most powerful laboratory for business experimentation ever. It transforms how people work together, how companies interact with customers, and the economics of entire industries. There is nothing more disruptive today than an original strategic insight fueled by a savvy application of computers and communication.

That's the breakthrough formula behind the miraculous growth of eBay. The insight: the natural desire for "person-to-person" commerce, made effortless by the Internet. It's also the formula behind the explosive growth of the Apollo Group. The insight: an explosive demand for lifelong learning, especially among busy people. Meanwhile, Cemex, in the US, has leveraged the revolution in high-speed communications to create a whole new approach to delivering cement to construction sites -- using cutting-edge technology to reshape an old-line business.

Source innovation channels strategically

Sourcing innovation externally is beginning to show quality results more quickly. It is stimulating internal innovation as well

Networks of managers are emerging as a better channel for cultivating and enabling innovation rather than by the inclusive approach adopted so far. Leading companies approach sourcing innovation strategically: They create innovation channels appropriate to their needs, which leads to longer-term, well-managed relationships with external sources. They manage this process holistically, working with outside sources in a way that is driven by their overall innovation strategy. These companies will achieve significantly greater value from sourcing innovation than they would by adopting a purely transactional approach, according to the authors of the article published in the May 2003 issue of Accenture's journal, *Outlook*.

Sourcing innovation externally can bring about several benefits, such as providing quick access to outside expertise; extending the range of products and services offered in ways that previously were not possible; achieving quality results more quickly and efficiently by working with outside organizations; and stimulating internal innovation.

There are also costs and risks associated with sourcing innovation, especially in terms of relationships and measurement. Relying on external partners sometimes results in the unintended loss of knowledge, and new external relationships may cause hard-won competencies to atrophy. And most companies do not track the proportion of innovation that comes from external sources, nor do they measure the performance of their external innovation suppliers.

These risks and costs underscore the need to manage external innovation sourcing through an explicit strategy. The companies in this study illustrated two stages of progress toward this goal. First, they developed sourcing channels rather than ad hoc portfolios of independent sources. Second, they managed innovation holistically by using their company's

overall innovation strategy to shape a supporting innovation sourcing strategy.

Sophisticated innovators set up sourcing channels to meet particular business needs. They establish goals and objectives across the innovation chain, then they develop external innovation channels, based on articulated sourcing principles, to reach their goals. Each strategic partnering channel has a different set of strengths and weaknesses relative to various innovation objectives.

Different sourcing channels require different internal management capabilities, innovation processes, external relationships, information flows and intellectual property arrangements. Companies that leverage innovation channels go beyond a simple transactional approach to sourcing. A company cultivates external channels it wants to use so that they are available consistently, and it chooses channels that match its strategic requirements.

Once established, these channels can be used to meet strategic issues. Companies establish these channels through organizational structures and processes. To institutionalize channels throughout the organization, companies manage innovation in a way that invites external opportunities. To use external sourcing effectively, executives must identify the boundaries they are trying to cross, and then bridge them. Companies achieve this by recognizing barriers, linking similar processes and overcoming differences in mindset.

The companies in this study used three main organizing principles for driving innovation holistically: business models, scenarios and product domains. Two practices missing from this list are portfolio management and stage-gate processes, which do not create the same kind of innovation guidance found in the other three types of big ideas.

- BP

Discipline & creativity go together

Creating long-run value means delivering short-run results -- every quarter, every week. There is no contradiction between creativity and execution. Indeed, the most innovative companies tend to be the most disciplined when it comes to making their numbers.

What's so noteworthy about such business game changers as Cisco Systems, FedEx, and Wal-Mart is how seamlessly they combine cutting-edge strategies with real-time information -- and metrics that let senior executives (and in-the-trenches managers) know how well the company is doing at any moment in time. Fast companies understand that what gets measured really does get attention -- so they pay attention to what they measure.

How to avoid obsolescence

Technology can be a slippery candidate. If you lag too far behind the times, you can find yourself at a serious disadvantage in terms of functionality, speed and effectiveness. On the bleeding edge, you run the risk of investing in beta instead of VHS, and you're always spending money.

Greenwich Technology Partners, a network infrastructure consulting and engineering firm, has compiled a series of suggestions. Here are a few:

'Moore' doesn't mean better: Many enterprises feel compelled to keep pace with Moore's Law, thinking it'll be a bargain to get more power for their PC buck. Yet your business may not necessitate the latest and greatest to get the job done. Greenwich cites Google, whose algorithmic logic is built on a series of simple, inexpensive swappable boxes. Investigate whether you're always buying more PC than you need. You may find you don't, which will free up some IT dollars you can spend elsewhere.

Resist the temptation of outsourcing: Greenwich likens outsourcing to "sweeping problems under the carpet." It's like that old trick you used to play on your parents, telling them you cleaned your room and praying they wouldn't open the closet. Instead of spending money to ship ineffectual business processes and poor communication and executive off to an outsourcer, save your money. Instead, truly examine the problems in the potentially outsourced area and determine whether it can be fixed- and maintained - in-house.

Cut interaction costs: Do you have "information-exchange bottlenecks" in your organization? Are there IT staffers running obsolete systems for job security, rather than efficiency? Consider moving away from "specialists" in given areas and have a series of cross-trained, multifunctional staffers who can handle many disciplines. Not only will this make people more effective, it will also create a cadre of people who can back up others when there's a vacation or absence.

Be a maverick

You can't do great things for your shareholders if you're satisfied with doing things "a little better" than your rivals. If you want to win big, you have to think different. That's the strategic lesson of the dominance of Dell in the computer business, Cognizant Technologies, Southwest Airlines' 30-year flight to growth and profitability in an industry oozing red ink, and of the fast rise of HDFC Bank in an industry in which most big players are slashing costs, cutting branches, and downsizing customer expectations.

Behind the success of each of these companies are strategic ideas that challenged the status quo in their industry. That's why so many companies that are leaders today were once

dismissed as mavericks, wild cards, insurgents. Their strategies seemed unfamiliar and even strange to the incumbent powers - many of whom now look longingly at what the mavericks have built. Today, the acid test of strategy is originality.

Peripheral vision

Emerging technologies signal their arrival long before they blossom into full-fledged commercial success. However, the signal-to-noise ratio is initially so low that one has to work hard to appreciate the early indicators.

The weak signals to be captured usually come from the periphery where new competitors are making inroads and unfamiliar technology paradigms are emerging. The periphery, however, is crowded with possibilities that may or may not be worth pursuing. This flow of information can lead to myopia and immobility rather than insight and action.

Given that corporate strategists face a blizzard of incoming information about markets, customers and technologies, what kinds of data should they be focusing on most? In a global marketplace, how much attention should companies be devoting to apparently peripheral events that send out only weak signals? More fundamentally, when so many things are changing so fast, how can strategists clearly define which kinds of events are still on the periphery, and which are now at the center?

Make information a business

Despite years of discussion about the value of information and the fact that information is every company's greatest asset few established companies have been able to differentiate themselves to that degree. As a result, although companies may use information to improve their own operations, few have been able to turn it into honest-to-goodness revenue, say Adrian Slywotzky and Richard Wise in the Spring 2003 issue of MIT Sloan Management Review

Why have companies that tapped only a tiny portion of the potential for their information to drive new growth? For one thing, managers often limit their thinking about information assets to computer systems and customer-relationship management databases. In fact, information assets encompass warranty information, transaction histories, technical knowledge, research results, point-of-sale data, equipment monitoring software and data, and a host of custom analytic tools. After the bursting of the dot-com bubble, some managers also tend to generally disparage ideas involving digital assets. Nonetheless, a thoughtless rejection of digital business is just as expensive as the thoughtless enthusiasm many businesses fell prey to in the late '90s.

Don't underrate your Middle Managers

Stereotypes about middle managers abound--including "they're boring, bureaucratic, rigid." But middle managers play critical roles in your company, say the authors of the article in the Harvard Business Review June 2003 issue. Unlike ambitious, volatile stars, these "best supporting actors" care more about their company's well being than their own.

Prizing stability, they often step off the fast track to balance career with family. Results? They accumulate deep knowledge about their companies' processes, products, and past. Operating between high-level visionaries and roll-up-your-sleeves implementers, they make change happen. They also provide ballast during turbulent times. Having seen the company survive earlier crises, they adapt smoothly to new realities and mentor nervous employees through the stress of chaos--providing long-term perspective and stability. Finally, middle managers leverage their networks to push beyond their official job descriptions--acquiring the informal power and resources that fuel innovation.

Do you embrace the value of values?

Today, more than ever, customers don't just ask, What products do you make? They also ask, What values do you stand for? The company with the clearest sense of purpose wins.

That's why Whole Foods Market logs head-spinning growth in the supermarket business. The company's fierce commitment to its fresh, nutritious products keeps its customers believing and its employees working hard. Starbucks Coffee is another case in point. At the heart of its success is not just premium coffee or fashionable outlets; it's a worldview -- the allure of an affordable luxury -- that connects with customers and attracts a certain kind of employee.

Uncredentialed make a difference

Let us salute the uncredentialed. All of us are familiar with phenomenon of the unofficial techie - the helpful guy in just about every department who knows his way around. They are genial and often with a better sense of humor than the titled ones. Maybe the title makes the difference. Put title on them and before long they behave no differently from the titled blokes, says Erica Heath, a management consultant in New York.

It's not just unofficial techies who deserve medals for valor. Every office has an assortment of untitled workers who are covertly called upon for their arcane expertise. For example, there's Grammatical Grace. Nobody knows exactly how she became the designated font of linguistic wisdom. When people

don't know their affect from their effect, Grace gets the call. Her proudest moment was when an accountant called for help with a punctuation problem. Until that day, Grace believed the number guys had no interest in any comma that wasn't followed by three zeroes.

Then there's Harvey, who works in finance but knows a thing or two about employment law. When your boss is making your life miserable, don't call human resources - call Harvey. If you've been around the block at least once, you know the dangers of complaining to HR about your boss. Chances are, you'll trigger a mudslide that will ultimately land on you. After listening sympathetically to your tale of woe, the HR rep will probably contact your boss's boss, who will in turn talk to your boss, who will in turn arrange to have your kneecaps broken. So instead, you call Harvey. Like any good jailhouse lawyer, he'll tell you how to proceed without putting your own life or livelihood on the line.

And don't forget trivia goddess Carla, the old-timer who knows where the skeletons are hidden. It may be common knowledge that the CEO would rather die than do business with company X, even though it would be a smart business move. But when you want to know why, you call Carla. (Seems that both companies' CEOs started out in business together, and they . . . never mind.) I realized I had stayed too long in my last job when I started getting Carla questions. Worse yet, I enjoyed them. Time to move on - unofficial fame is nice, but too much inside dirt can really age a person.

The psychology of change management

Large organizational-change programs are notoriously difficult to run: they involve changing the way people not only behave at work but also think about work. Sometimes, however, changing individual mind-sets is the sole way to improve a company's performance, according to the second issue of McKinsey Quarterly 2003. Psychologists in the fields of child and adult development have made several important discoveries about the conditions that have to be met before people will change their behavior.

First, they must see the point of the change and agree with it, at least enough to give it a try. Then the surrounding structures-reward and recognition systems, for example-must be in tune with the new behavior. People must also see colleagues they admire modeling it and need to have the skills to do what is required of them.

Applying any one of these insights on its own doesn't have much impact. But managers now find that applying all four together greatly improves their chances of bringing about lasting changes in the mind-sets and behavior of people in their organizations-and thus of achieving sustained improvements in business performance.

Double loop process: the next innovation paradigm

The 'customer toolkit' concept has evolved from the software toolkit idea of the semiconductor industry. There's a big opportunity for Indian software companies to tap this opportunity

By Philip S Thomas



A turning point in the innovation process may have been reached with the emergence of customer toolkits to alleviate the dilemma between customer dissatisfaction and supplier overextension in the innovative process. This proposal is based on two decades of experience with software toolkits (including simulation) by the semiconductor industry.

The focus of this article is on the main implication of a double loop innovation process involving the concurrent design of a base (or general purpose) product as well as the toolkit used to optimize customization.

In the past, concurrent engineering (CE) has helped expand markets for a variety of developed-country products such as cars and computers. It is believed that the double loop process will help boost business in the so-called 'base-of-pyramid' (BOP) markets around the world.

The software and services industry in India may be well placed to apply the customer toolkit concept. This is because it basically involves the extension of existing practices in the computer industry, as there is a huge global need for lower cost, lower complexity software applications that need to be customized.

What is the double loop process?

The new double loop process involves the development of a package comprising a base product and the associated customization toolkit, either in a pioneering or disruptive business mode. It requires adequate investment in the development of the toolkit from the initial stages of base product development and for use in the initial stages of customization by the customer.

Some toolkit development is obviously necessary for making the product itself but now thought would have to be given, from day one, to their subsequent packaging for customer use. Provided customer designs generated by the toolkit are within suppliers' operational capabilities, they can be produced and delivered to the customer according to its specifications without undue quality, cost and delivery problems. Essentially, the double loop product involves a simultaneous product/process development approach to both base product and the toolkit development.

The Indian software services industry is in a strong position to create tools for simpler applications development. In part,

this is due to a huge market for lower cost, lower complexity software application that need to be customized. Hence, more emphasis than ever before will have to be given to software toolkits not only for

internal development purposes but also, to the extent possible, for the required customization around the world. Operational frameworks for guiding software development projects are now readily available and could prove useful in software toolkit development too.

But the most pressing need, in the software context, is to effect a significant shift in mindset in a situation where:

- There is an apprehension that, in customer toolkits, the very livelihood of the business is being sold
- There tends to be a clear division of labor between software firms and their clients which poses barriers to the crossing over of toolkits into customer territory
- Indian software firms are only just beginning to test the product development waters
- They may now be required to put in place a double loop product development process as well to keep up with global competition

Thus, there will be a premium for leaders in Indian software firms who can navigate their PD groups through uncharted territory over extended periods of time. The firms would move up the value chain by tackling local BOP market-type requirements, which map onto those needed abroad to some significant extent and result in export of toolkits to more lucrative foreign markets in due course.

The conclusion is inescapable that, if the customer toolkit approach is to diffuse through industry, then the double loop innovation process must power it. Admittedly, for this to happen, much more needs to be known about customer software toolkits in the semiconductor industry.



Essentially, the double loop product involves simultaneous product/process development approach to both base product and the toolkit development.

The author was till recently a Senior Fellow at the Indian Institute of Management, Ahmedabad

Align IT with business strategy

Only when an organization is clear about its business objectives can the IT strategy be aligned to it

By S. Ramadorai



Until recently, competition in the IT sector was based on cost and price, today, it is based on enhanced customer experience, collaboration and innovation. Such a competitive market has evolved as a result of information, which, in anticipating and serving customer needs, makes the aligning of technology strategy with business strategy an imperative for enterprises today.

Enterprise strategies are designed to maximize competitive advantage. IT is a key component of enterprise strategy, as a productivity enhancer as well as an enabler of new business models and processes. If the enterprise IT strategy is not aligned to the business objectives, symptoms like spiraling IT costs, low morale in the workforce, and loss of opportunity in the marketplace become very common.

However, before devising an IT strategy, an organization must have a very clearly articulated business model and strategy. The purpose of the business must be the driver for any technology deployment. The IT strategy must work with the business objectives, the business model of the corporation, the business processes that will drive the corporation, and the support systems necessary to drive the business processes. IT does not have to lead the business strategy; it has to support the business. For this reason, the strategy must be clear. The role of IT must be investment-defined in terms of business benefits. It must also help in decision-making.

The ideal enterprise IT strategy is one which aligns a company's business objectives and does a reality check in terms of which ones can be achieved and which ones cannot. In many cases, business objectives are not clear in terms of what an organization wants. Only when an organization is clear about its business objectives can the IT strategy be aligned to it.

Once a company has a reasonably coherent business strategy, it can align the enterprise IT strategy to it. In such cases, IT can actually transform the way business is conducted.

Challenges for new-economy organizations

However, in practice, such a transformation is hard to come by. To start with, business models are getting modified. The business model of an enterprise has to be driven by a deep understanding of the marketplace, the customers of the enterprise, the transformational issues, and the strategic inputs that go into addressing the different market segments.

New economy organizations have realized the importance of old economy measures like profitability, return on capital, etc, while expanding market share. Sometimes this conflict becomes untenable and the organization collapses.

In any case, new-economy organizations depend more on IT as a key enabler of the business model as well as business processes. The IT strategy becomes the centerpiece of the business strategy, and impacts the customers and employees, and the product and service process design. Unless the organization lets IT align with operational processes, there is very little chance of success. Unfortunately, many new-economy organizations focus too much on the role of IT in the product or process innovation space, and not enough on equally critical dimensions like customer and operational processes.



Enterprises must recognize human capital as the fundamental driver of growth, innovation and value-added output. Human capital must be backed by an enormous amount of technology, to support their working and collaborative efforts, as well as for research and

If the enterprise IT strategy is not aligned to the business objectives, symptoms like spiraling IT costs, low morale in the workforce, and loss of opportunity in the marketplace become very common.

development. Another area is training for the purpose of maximizing output. New and existing enterprises must invest in the upgrading of human capital.

Most new economy enterprises have to balance speed and time to market with costs and quality of IT investments. The best of plans will not succeed unless the right people and the right mindsets are put in place. Success also demands the right set of parameters for improvement.

All enterprise strategies start with key business drivers like people, clients, market, processes, information needs and leadership. The ability to create plans and strategies is important, but the energy and processes to implement them are crucial for success.

The merits of aligning an IT strategy with the business objectives are many. The first one is that it makes a strong business case for IT. Most people find it very hard to quantify the return on capital. The second is that the chances of success of the IT strategy become higher. Experience shows us that one of the major failures of an IT strategy is unclear business objective. So, if the IT objectives and business objectives are aligned, there is a greater chance that both will succeed. ●

S. Ramadorai is CEO, Tata Consultancy Services

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The International Takeoff of New Products: The Role of Economics, Culture, and Country Innovativeness

Sales takeoff is vitally important for the management of new products. Limited prior research on this phenomenon covers only the United States. This study addresses the following questions about takeoff in Europe:

- 1) Does takeoff occur as distinctly in other countries, as it does in the United States?
- 2) Do different categories and countries have consistently different times-to-takeoff?
- 3) What economic and cultural factors explain the intercountry differences?
- 4) Should managers use a sprinkler or waterfall strategy for the introduction of new products across countries?

The major results are as follows:

- 1) Sales of most new products display a distinct takeoff in various European countries, at an average of six years after introduction.
- 2) The time-to-takeoff varies substantially across countries and categories. It is four times shorter for entertainment products than for kitchen and laundry appliances. It is almost half as long in Scandinavian countries as in Mediterranean countries.
- 3) While culture partially explains intercountry differences in time-to-takeoff, economic factors are neither strong nor robust explanatory factors.
- 4) These results suggest distinct advantages to a waterfall strategy for introducing products in international markets.

Gerard J. Tellis / Stefan Stremersch / Eden Yin, Marshall School of Business, The University of Southern California, Erasmus University Rotterdam, Judge Institute, Cambridge University

<http://pubsonline.informs.org/main/index>

Indirect Network Externality Effects on Product Attributes

Indirect network externality (INE) effect exists when the utility of a product increases with the greater availability of compatible complementary products. We demonstrate that INE effects can vary by product attributes, with externality-sensitive attributes gaining more from increased availability of complementary products than other attributes. Past research has assumed that the benefit of increased availability of complementary products (e.g., software) accrues to the entire product (e.g., hardware). Utilizing data covering a period from 1985 to 1995 on compact disc player prices, attributes, and CD titles releases, and using a hedonic price approach, we find significant positive interactions between CD title

availability and two attributes of the CD player, namely, changer capacity and its over sampling rate. In addition to INE-attribute interactions, increased availability of CD titles is found to have a significant positive impact on the overall price of CD players, which is consistent with past research. Collectively, these effects of INE have helped reduce the yearly decline in the price of CD players. The finding that INE effects differentially affect different attributes can help managers in decisions such as pricing, timing of introduction, and changing the levels of INE-sensitive attributes.

(Indirect Network Externality; Hedonic Price; Externality Sensitive Attributes; CD Player Prices)

Amiya Basu / Tridib Mazumdar / S. P. Raj, School of Management, Syracuse University. <http://pubsonline.informs.org/main/index>

Valuing Internal vs. External Knowledge: Explaining the Preference for Outsiders

This paper compares how managers value knowledge from internal and external sources.

Although many theories account for favoritism toward insiders, we find that preferences for knowledge obtained from outsiders are also prevalent. Two complementary case studies and survey data from managers demonstrate the phenomenon of valuing external knowledge more highly than internal knowledge and reveal some mechanisms through which this process occurs. We found evidence that the preference for outsider knowledge is the result of managerial responses to (1) the contrasting status implications of learning from internal versus external competitors, and (2) the availability or scarcity of knowledge—internal knowledge is more readily available and hence subject to greater scrutiny, while external knowledge is more scarce, which makes it appear more special and unique. We conclude by considering some consequences of the external knowledge preference for organizational functioning.

Tanya Menon / Jeffrey Pfeffer, Graduate School of Business, University of Chicago, Graduate School of Business, Stanford University, Stanford, California

<http://pubsonline.informs.org/main/index>

Managing Project Risk within Resource Constraints

Project managers faced with limited development resources must explicitly accept design trade offs and a level of residual risk. In "Programmatic Risk Analysis for Critical Engineering Systems under Tight Resource Constraints," R. Dillon, S. Guikema, and E. Paté-Cornell develop a decision support framework for the management of the risk of failures of dependent engineering projects within programs. The model, based on a probabilistic risk assessment, uses optimization techniques to determine the best design and corresponding minimum achievable failure probability given

a system configuration and a specified budget. The authors worked with the NASA Jet Propulsion Laboratory and discuss their experiences applying the model framework concepts to the management of unmanned space missions. The primary conclusion from the paper is that as resource constraints become tighter, balancing failure risks is more critical, less intuitive, and can benefit from the power of quantitative analysis.

R. Dillon, S. Guikema, and E. Paté-Cornell, May-June 2003 issue, Operations Research, <http://or.pubs.informs.org/Media/>

Relative Performance of Incentive Mechanisms: Computational Modeling and Simulation of Delegated Investment Decisions

This paper evaluates the relative performances of several well-known and widely-used incentive mechanisms under controlled experimental conditions. The scenario utilized is a delegated investment setting where effort and risk aversions contribute to moral hazard among fund managers. Analytical intractability of the problem requires a computational modeling approach to simulate comparative solutions for specific contracts under different parametric settings. Through a simulation exercise, we consider multiple agents who decide their investment strategy over several consecutive periods. Agents learn about estimation and market uncertainty through repeated realizations of investment returns. In each sequence of periods, a number of different incentive mechanisms based on the agent's communication and/or outcome are considered. Results of the computational experiments are presented.

Our results overwhelmingly show the efficacy of the incentive contracts in improving the welfare of the investors. In the presence of an estimation risk, when agents learn from their past performances, the market volatility interacts with the estimation risk that makes risk sharing arrangements such as limited liability overly important. Paying the agent to assume the risk may no longer lead to the best performance incentives.

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<http://pubsonline.informs.org/main/index>

Managing Inventories in Supply Chains that Provide Quantifiable Quality of Service

Managing inventories in supply chains is an ageless problem, considered as early as in the seminal work of Clark and Scarf, 1960. In "Large Deviations-based Asymptotics for Inventory Control in Supply Chains," Y. Liu and I. Paschalidis take a fresh

look at this problem in a modeling framework, which incorporates a host of features present in many practical settings.

The supply chains they consider contain failure-prone processing facilities with stochastic capacities, and face stochastic demand with temporal correlations, caused for example by sales events, correlations with economic conditions, etc. Instead of adopting the common objective of minimizing expected inventory and backorder costs, this work derives policies that minimize expected inventory costs subject to maintaining stockout probabilities below given levels.

To that end, it employs the theory of large deviations and constructs asymptotically tight approximations of key quantities of interest that are then used to compute policy parameters efficiently. A key insight that arises is that higher moments of the demand and capacity processes severely impact policy parameters and can even determine the bottleneck processing stage.

Y. Liu and I. Paschalidis, Operations Research, May-June 2003

<http://or.pubs.informs.org/Media>

Old Is Gold? The Value of Temporal Exploration in the Creation of New Knowledge

In this paper, knowledge creation is considered as a path-dependent evolutionary process that involves recombining knowledge spread over time. The findings of the paper suggest that a balance in combining current knowledge with the knowledge available across large time spans is an important factor that explains the impact of new knowledge. These ideas are empirically tested using patent data from the pharmaceutical industry. Results from the analysis offer support for the hypotheses developed in the paper.

Atul Nerkar, Graduate School of Business, Columbia University. Management Science, February 2003, <http://pubsonline.informs.org/main/index>

Interruptive Events and Team Knowledge Acquisition

Interruptions have commonly been viewed as negative and as something for managers to control or limit. In this paper, the author explores the relationship between interruptions and acquisition of routines—a form of knowledge-by teams.

Recent research suggests that interruptions may play an important role in changing organizational routines, and as such may influence knowledge transfer activities. Results suggest that interruptions influence knowledge transfer effort, and both knowledge transfer effort and interruptions are positively related to the acquisition of new work routines. She concludes with implications for research and practice.

Mary E. Zellmer-Bruhn, Carlson School of Management,

University of Minnesota

ASK - knowledge management tool with a twist

Traditional intervention and gap analysis are resulting in finger pointing .

How many companies called themselves knowledge-based organizations? Scores? Hundreds? May be thousands! Over the last four or five years, knowledge management has been a focus for companies that aim to capitalize on their employees' knowledge for a competitive edge.

In one-to-one interviews with twenty top U.S. companies in 2001, researchers found that knowledge management initiatives were focused predominantly on technology. At those companies, more than twenty different technology tools - Internet and intranet, collaborative learning and knowledge repository applications - were employed, and most companies employed multiple applications. But only 85% of the companies were directly working on the human factor behind knowledge sharing and only half a dozen approaches were in progress.

"Nearly all Fortune 500 companies currently have a Knowledge Management program," said Tojo Thatchenkery, an organizational learning professor at George Mason University and a business consultant. "Most of these programs focus on collaborative learning technologies and assume that if we build the appropriate technology, people will share knowledge." But experiences from several KM efforts that fell short of expectations reveal that technology is not enough. "A knowledge-sharing climate is a prerequisite for any program to work," he explained.

Among the approaches companies are using today to stimulate a trusting and knowledge-sharing culture are organizational storytelling, development of communities of practice, leadership coaching to help leaders ask effective questions and demonstrate knowledge-sharing and traditional gap analysis methods. Recently, Thatchenkery and a U.S. financial institution practiced a unique approach to knowledge management called ASK - Appreciative Sharing for Knowledge.

ASK steps

- + Introduce the paradigm of appreciative knowledge sharing
- + Elicit stories of successful knowledge sharing behaviors already occurring
- + Identify knowledge enablers
- + Analyze the data using knowledge infrastructure factors.
- + Construct "Possibility Propositions."
- + Prioritize Possibility Propositions.
- + Form an implementation team. Then implement!

ASK holds several advantages over other approaches to changing corporate behavior. While it takes patience and



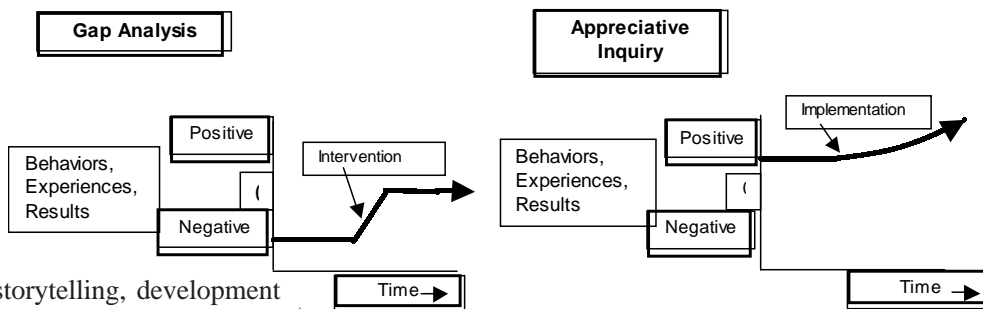
By Carol Metzker

explanation to overcome skepticism to a "positive" approach - appreciative inquiry seems at first to be counterintuitive to our current desire to look for "what is wrong" - most employees quickly see the benefits and respond enthusiastically to this unique methodology. Traditional intervention and gap analysis results in finger-pointing and redirecting blame leading to mistrust which discourages a knowledge-sharing culture and derails or slows the process of change. ASK reduces blame, thereby keeping the process moving forward.

Additionally, most traditional company initiatives are proposed and directed by top management, therefore requiring long periods of preparation for employee buy-in and resulting change. While incorporating the blessing and participation of top management, ASK's ultimate action items are designed and initiated by those who need to share knowledge - company employees.

Comparison of Gap Analysis and Appreciative Inquiry

Finally, contrary to traditional gap analysis consulting which starts at a deficit point and works to zero, appreciative



inquiry begins with the positive and moves to the extraordinary.

Other organizations - an environmental consulting firm seeking to help new and long-time employees share information as the company doubled its size, and a large non-profit group seeking to double its effectiveness and responsiveness to diverse clients - have reaped significant benefits from similar appreciative knowledge sharing programs.

Rather than starting (and not finishing) a knowledge management project that becomes just another ineffective initiative, ASK leads to a self-perpetuating pervasive corporate culture that-as designed by members of their own organization-is custom fit for a business, said Thatchenkery. Ultimately, the reward is the employees' and organization's knowledge.

Carol Metzker is a West Chester, PA, USA-based consultant. She fosters knowledge-sharing in geographically-distributed organizations and helps them innovate and create business value. Email: echmetzker@aol.com

Gold, eternally gold

Gold has emerged as one of the best investable assets of the new millennium. The entry of exclusive mutual funds and futures and options will make it even more appealing

By Harish Bhat



In Fleming accorded James Bond 007's personality to the yellow metal in his blockbuster **GOLDFINGER**, where he portrayed it as "eternally gold". Yet, the popularity of this legendary film did not lure baby boomers to own gold until the equity cult did them in during bouts of stock market gyrations in the last decade.

Clearly, the World Gold Council's chart for the last 30 years illustrates that gold is making a comeback in a big way as an investment and savings alternative. As an asset class, gold offered amongst the best returns in 2002. It offered a return of + 23 percent during the year outperforming the US\$ by 25 percent, the Swiss Franc by 7 percent, Dow Jones by 47 percent, and the FTSE by 52 percent.

The excellent returns of 2001 and 2002 largely reflect the fact that the professional investor has now returned to the use of gold as a risk management tool, in his portfolio. This trend is here to stay.

During the 1980s and 1990s, the economic, political and financial environments were seen as largely benign - there was no assumed need for gold as a hedge against risk. In the new millennium, this landscape has changed. Gold is seen as a 'safe haven' asset in a world torn by geo-political conflicts and corporate governance issues. In addition, in an era where big global economies such as Japan, Europe and USA are slowing down, gold has indeed become a safe currency.

Indeed, there is a renewed interest in gold as a timeless, and very timely investment; a highly liquid investment and an effective diversifier. It helps manage portfolio risk better. It is indeed more liquid than real estate or venture capital.

A modest allocation of gold can significantly improve consistency of the performance of your portfolio. This is because most traditional diversifiers (bonds, equities) often fall during times of market stress as there is no "cushioning" effect. Historically, the price of gold has generally moved in the opposite direction to equities - equities fall when there is uncertainty and turmoil and when currencies are weak. Hence, gold serves the role of a portfolio diversifier very effectively.

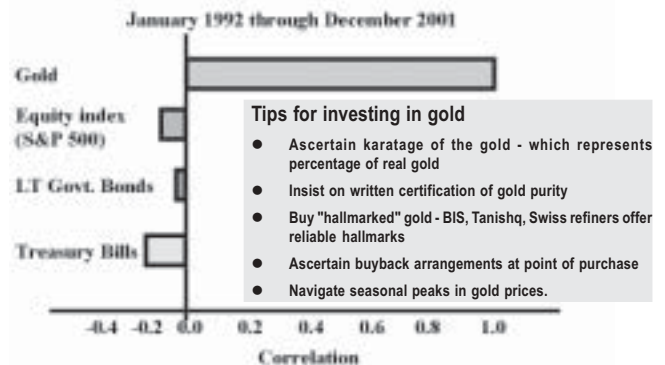
Investment options

There has been a lack of knowledge about gold as an asset class, especially amongst younger investors - a misconception that gold is a "dead asset" delivering very low returns. This was partly due to the regulatory barriers, which impeded investment in gold. Although traditional gold investment products such as gold bars, coins, and jewellery have sustained, product innovation has been relatively slow. Recent

innovations have been in the form of gold accumulation plans, gold oriented mutual funds, gold futures and options.

One of the most attractive ways of investing in gold is in relatively small amounts in the form of coins weighing 1 g., 5 g., 10 g., upwards at reputed banks and reputed jewelers. Here, the weight and purity is precisely controlled,

Gold is negatively correlated with other financial assets



Source : World Gold Council, Institutional Investment USA

standardized and certified. Gold bars are also a convenient and cost-effective way of owning bullion. Bars are available in a variety of weights and sizes, ranging from 1 troy ounce to 400 troy ounces. Bars bearing the "hallmark" (logo) of recognized refiners are the best to invest in, and the easiest to sell - because these refiners "assay" or test the metal for its exact purity and fineness.

Fixed or flexible-term gold savings schemes are popular with investors. In addition, gold accumulation plans are also a good option. They are similar to gold savings schemes, but here investors can buy a specified number of grams of gold each month.

And, of course, investing in gold jewellery combines the many advantages of investment in the yellow metal, with the timeless charm of wearing exquisite gold jewellery - always popular with women throughout India !

Gold, eternally gold!

The author is the vice president, sales and marketing of Tanishq, India's largest jewellery brand. This brief article is based on his talk at a seminar organized by the Bangalore Management Association during May, 2003.

Most of us unconsciously use jargon or slang that doesn't mean much to speakers of English . Here are some common phrases used in business meetings

Saying	Meaning
20-20 hindsight.....	perfect knowledge but too late
(someone is) the 800 pound gorilla.....	most important party to a transaction/or in a group
a lick and a promise	incomplete or limited preparation
a rising tide that lifts all boats	something that benefits all (Pres. Kennedy)
an Old (China. Japan, etc.) Hand	someone with long experience in the place
at the 11th hour.....	at the last minute
base-tending	protecting one's assets
begin on a shoestring.....	start with limited finances
bootstrapped	develop by yourself without outside support
both sides of the aisle	from politics, involving both parties
bring to the table	what do you offer
carve out a niche	find a special position to monopolize
Catch 22	what ever you do, it won't work (Joseph Heller book)
Chinese wall	separation between two parts of same unit
deep pockets	wealthy; has ability to pay
dog and pony show	financial presentation
don't make waves.....	don't disagree or contradict policy
down in the dumps	depressed
draw a line in the sand	make final conditions that cannot be changed
featherbedding.....	a job that is not necessary (union term)
fence-mending.....	apology; smoothing bad relations
goal-tending.....	protecting one's assets
hold feet to fire.....	force, bring pressure
how does that play in Peoria	what is the reaction of average person at grass roots
I need it yesterday	jocular way to say it is needed immediately
Indian Summer	unusual warm weather after summer is gone
interface the system architecture.....	computer talk; tying into system
it occurred on his watch	it happened when he was in charge (military saying)
it should be a two way street	both sides should benefit/contribute
<i>to be continued...</i>	

Source: <http://www.pacificovertures.com>

*Readers are invited to send interesting jargons to:
e-mail: info@managementnext.com*

It's high time India mined its spiritual treasure

With the Indian ethos providing a foundation of spiritual purpose and meaning, the Western disciplines can take on their proper role in developing enterprises that serve the ultimate good of society

By William and Debra Miller



Imagine a time before gold was considered to be the most precious metal - when instead, silver was the metal-of-choice for jewellery and other items. Imagine also that India was importing most of its silver from the West where it was more abundant.

Then, one day an Indian businessman realised that gold was superior not only to silver, but also India had the largest reserves of un-mined gold in the world. He saw the foolishness of letting such a rich resource remain untapped, so he began an intensive effort to bring this precious gold to the world.

From our past experience as business executives in America, the silver we're referring to is the set of Western leadership/management disciplines that have enabled success in the global marketplace, though at a great price to the health of many societies and the environment.

The gold we're speaking of is the ancient Indian spiritual heritage that has guided kings, sages, leaders, business people, and everyday workers to create wealth in a righteous manner for the benefit of all.

Like silver, the Western disciplines have their own value and can certainly play an important role in all business endeavours. However, the Indian ethos can provide the pure, wholesome spiritual foundation from which the ultimate health of all business endeavours can spring forth.

Comparing the two is like comparing technologists with strategists. Technologists have the resource-management skills to develop unbelievable manipulations of creation. But strategists are the ones who determine the purpose and meaning for what will be developed, and how.

With the Indian ethos providing a foundation of spiritual purpose and meaning, the Western disciplines can take on their proper role in developing enterprises that serve the ultimate good of society... which then nurtures the ultimate good of the enterprises themselves. This would fulfil the advice of the Yagnavalkya Smriti:

Leaders should be pure in body and mind and free from avarice... and should do what is in the welfare of the society and the organisation. (Yagnavalkya Smriti 2. 191).

The business environment in India and around the world sorely needs the active presence of the Indian spiritual ethos. The

Enron scandal in the USA and the levels of bribery and corruption in India and many other countries equally point to the same problem: the lack of a deeply felt spiritual foundation from which to conduct all government and business activities.

Herein lies the opportunity for India: to mine its rich spiritual heritage and to become the spiritual leader of the global market place. Just like gold, this heritage has the power to transform the very nature of business and all of its activities within India and around the world. From this, we can all reap the benefits of a business environment that is grounded in spiritual and moral principles, while having the skills to produce efficient and effective products and services.

Where do we start? It all begins with people who are willing to embody what the Brihaspati Smriti says:

The businessman must be a person of character and integrity with self control... and be an example to others for the practice of ethical values. (Brihaspati Smriti 17.9)

Here are some steps you can take to begin "mining the rich, bountiful reserves of gold" of the Indian ethos in your own organisation:

- Strengthen your own personal spiritual foundation and draw from it in your day-to-day work.
- Build communities of like-minded people who genuinely desire to mine this gold and employ it within their organisations.
- Embody spiritual principles in your everyday business transactions within India to strengthen the nation's appreciation and adherence to its own ethos.
- Make spiritual principles the foundation for all of your international relationships.

Ultimately, these steps will naturally "export" the gold of India's spiritual heritage to other countries and will ensure that spiritual-based business practices lead us toward a prosperous and sustainable future for the entire planet.

William and Debra Miller are the co-founders of the Global Dharma Center where they are currently focused on spiritual-based work and leadership. You can download many publications from their website: www.globaldharma.org.

William was formerly head of Innovation Management at the Stanford Research Institute International.

“Case studies are the bridges which enable you to see the relevance of one situation to your own circumstances. It is when sparks jump both ways between those two poles - principles or theory and experience or practice - that learning occurs” - John Adair

The Global Brand Face-Off

Espoir Cosmetics has received a tantalizing offer: sponsorship of the sequel to the Hollywood hit *Diana's She Devils*. For Natasha Singh, the U.S.-based company's global marketing officer, the movie is an ideal vehicle for global brand building. As the film is released in each country, Espoir can launch tie-in lipsticks and nail polishes. But some of Espoir's regional executives don't see it that way. One of them--Vasylo Mazur, the head of Eastern European operations and Tasha's old friend--is particularly upset. "Tasha," he says, "you don't realize how different Eastern Europe is from the rest of the world.

Movie-based promotions won't do anything for my sales." Tasha understands his point of view. When she was Espoir's marketing head in India, she had to fight for her unconventional local initiatives. But she has come to believe that tastes are changing rapidly all over the world. From Eastern Europe to the smallest towns in India, customers want the products they see on TV, in the movies, and in international magazines. Should Espoir take its new branding initiative global? Offering their perspectives on this fictional case study are Peter M. Thompson, president and CEO of PepsiCo Beverages International; Jennifer L. Aaker, associate professor of marketing at Stanford Business School; Harish Manwani and Simon Clift, executives of Unilever; and Masaaki Kotabe, professor of international business at Temple University.

Author: Anand P. Raman, <http://harvardbusinessonline.hbsp.harvard.edu/>

Are Brands out of your Hand?

A new kind of brand proletariat is on the loose, courtesy of Harvey Alpert, the man behind *Brand in Your Hand*.

At first you might think you had stumbled upon the tiniest proof of synergy. You are seated on an airplane. The stewardess trudges by with her cart, doling out drinks and bags of pretzels. You take a break from flipping through the airline magazine's lead article about "Exciting Nebraska" as a business destination. You tear open the pretzels and look out of the window at the white cumuli underwing. And, in the pensive haze induced by recycled, germ-laden air and dreamy vistas, you happen to glance down and are slightly disturbed from your reverie to read, "Trust us. Don't open the window to check the weather." It's an ad. On the pretzel bag. For the Weather Channel.

Is this some new species of meta-advertising? In an era when branding has been elevated to a cultural ideology with its own jargon, the development on the snack bag signals the emergence of a new class structure among products -- a branded proletariat and a branded gentry.

The product aristocrats are climbing upon the backs of the new serfs everywhere. Some banks narrowcast ads for other products on their ATM screens while you wait for your cash. Filling stations are selling ad space in the tiny screens on their gas pumps. One company will underwrite your monthly car payment if you permit an "autowrap," which turns your entire vehicle into a rolling billboard. Essentially, our landscape has become so dominated by advertising that the only unscarred vista left is the product itself.

www.fastcompany.com/magazine/

SMARTGOV framework for the Andhra Pradesh state secretariat

SMARTGOV is a framework for automating the functions of any government department at all levels of the administrative hierarchy. TCS has implemented the framework at the secretariat of the government of Andhra Pradesh state in south India.

The project was executed over a one-year period with a peak team size of 100.

The team worked as two independent, but closely coordinated, modules. One team directed its efforts towards developing a deeper understanding of the numerous technological issues that arose during the development process. It also developed several re-usable components for use by the rest of the team and designed several tools for use in the development environment.

The implementation of the SMARTGOV framework in other state governments will yield the following benefits: Knowledge-led governance, aid in policy formulation, consistency of applications across all levels, elimination of data redundancy, interoperability and easy flow of information.

http://www.tcs.com/0_case_studies/

Driving Innovation

Traditional car companies are courting a new group of consumers with hard-driving innovation. Learn about the unconventional branding campaigns launched by Chrysler, Toyota, and Mercedes-Benz to inject some soul in new cars created for generation Y.

Raised on Total Request Live, wireless phones, and generous allowances, generation Y is driving enormous, recession-proof sales for brands like Pepsi, Sony, and Abercrombie & Fitch. So it's not surprising that America's 18- to 24-year-olds are attracting the attention of all sorts of brands -- young and old, hip and stuffy alike. One unlikely suitor: the old-line car company.

Earlier this year, both DaimlerChrysler and Toyota announced plans to court the youth market that's currently infatuated with rivals Volkswagen and Honda. The new Chrysler Crossfire and Toyota Scion series -- sleek, unconventional, and decidedly strange -- aim to attract first-time car buyers with comparatively low prices and high technology. Hook 'em while they're young and impressionable, and you've got a lifelong fan. Or so the saying goes.

But how can a 78-year-old brand like Chrysler, best known for its family-friendly Town & Country line, entice a 2002 college graduate to consider its latest model over a VW Beetle? Increasingly, the challenge of winning over generation Y is falling not to traditional ad shops and 30-second TV spots, but to hybrid branding agencies with integrated marketing schemes -- not to mention super-fly names like Hypnotic, Fresh Machine, and Critical Mass.

"Young people are suspicious about marketing -- as they should be," says Rick Bolton, founder of Los Angeles-based Fresh Machine, the "next generation consultancy" that's helping Toyota launch its young, urban Scion brand. The skepticism and distrust of young consumers is driving marketers like Bolton to reconsider and reinvent the timing, placement, and goals of branding initiatives.

www.fastcompany.com/articles/2002/06/cars.html

CRISIL: Building an online business model

The challenge: In recent years with information technology and electronic ways of conducting business taking Indian industry by storm, speed has become crucial. CRISIL was faced with the need to allow its customers to access their services faster and better.

The solution: Given CRISIL's vast and scattered customer base, a logical solution to this challenge took the shape of a web-based business model that complemented the company's current delivery mechanisms. Wipro, with years of experience integrating solutions for financial companies, was chosen as the solution provider.

Reaping the benefits of a B2B business model

The automation of content flow has been a boon for the CRIS-Risk & Information solutions site management team as well as customers. The management of huge volumes of content has now become a breeze. For customers, locating and buying content has become simpler and faster thanks to the user-friendly interface and seamless integration. For CRISIL, the streamlining of content and web enabling of transactions has helped put in place an online revenue generating, business model - something companies across the globe have been striving to achieve.

<http://www.wipro.co.in/enterprisesolutions/ebusinesssolutions/casestudies/crisil.asp>

Glaxo SmithKline Consumer Healthcare: Revolutionizing the concept of e-HR

The company: Glaxo SmithKline Consumer Healthcare manufactures and markets popular consumer healthcare brands like Horlicks, Boost, Viva, Maltova, Eno, Crocin and Iodex. The company has over 3000 employees scattered across 4 factories, various regional offices and branch offices across India

The challenge: Lack of automation in HR processes had resulted in bottlenecks within the HR system. With the growth of the employee population and multiple sites across the country communication and interaction with employees had also become an issue.

The solution: GSKCH opted for a comprehensive, centralized and integrated HR Information System (HRIS) that covered all planning modules and created automated HR workflow to address the planning and operational needs. The GSKCH team used an IT evaluation matrix and after careful evaluation and sitting through many presentations where the best of the best in the IT industry showcased their skills and capabilities, zeroed down on Wipro - for the HRIS implementation.

Through this HRIS model one HR process interacts with its complementary HR processes within the GSKCH HRIS. This 'talking' of various HR modules allows the free flow of relevant decision making information, takes care of routine follow-up through its in built system of reminders and all workflow of approvals are automated in the system leading to speed and transparency.

<http://www.wipro.co.in/enterprisesolutions/ebusinesssolutions/casestudies/glaxosmithklineconsumerhealthcare.asp>

Shailesh J Mehta School of Management, IIT Bombay

The following sponsored research projects are underway in the School:

- Intelligent Systems for Virtual Manufacturing sponsored by the Ministry of Human Resource Development, Government of India.
- Human Dimensions of Global Change sponsored by the National Science Foundation, The United States of America.
- Development of learning material for S&T management in STEPAN member countries, sponsored by UNESCO in association with Department of Science and Technology, India.

http://www.iitb.ac.in/~som/co_research.html

If you have an interesting case study to share, please write to: editor@managementnext.com

Managing Talented People, Getting on with - and getting the best from - your high performers

Alan Robertson, Graham Abbey, Paperback, Mar 2003, 224 pages, <http://www.pearsoned.co.uk/bookshop/>



Highly talented people have very different values and motivation from the majority of people. More is expected of them and they expect more in return. They are often high-impact but high-maintenance too. They think differently (and faster). They get bored more readily. They need different kinds of challenges. They can deal with more complexity but are more complex in themselves. They get frustrated more readily and express themselves readily. They are a different kind of person - and they need a different kind of management.

The manager of a talented team needs to learn quickly how to spot and respond to talent, how to encourage it to grow, whilst gently directing its course. The manager of talent needs to be able to cope with the fact that certain members of the team may be in some respects brighter and more able than they are - and to be comfortable about that. The manager of a talented team needs to completely understand what role they play in the team's success and communicate that subtly but effectively. To be respected and to be the person that the talented individual is happy to be led by.

This is the book that explores what talent is, how to recognise it and how to deal with it on a day-to-day basis.

Careers Un-ltd

tell me. what is it you plan to do with your one wild and precious life?

Jonathan Robinson, Carmel McConnell
Paperback, Dec 2002, 208 pages



It's one of the biggest dilemmas a person faces - "what do I do with my life?" And it's not just the 400,000 annual UK graduates. Every year there are also thousands of twenty and thirtysomethings who realise they have made the wrong move and wonder what the options are now, or even what they were in the first place.

They need a career, but want fulfilment. They want to know what the working alternatives are - not just do I join Mars or Cadbury-Schweppes, and 'if I don't join a plc then can I earn enough to live?'

Carees Un-ltd helps you work out where you want to be, and what you want to do with your life. This is the book to

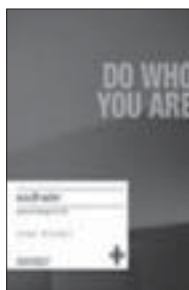
help you develop an un-ltd mindset and to tackle that tricky 'cash or principles' issue. This is the book to explore your basic career options - in stimulating and vibrant terms; no corporate speak, no pulling punches. Featuring case studies of dozens of people who have created a career that works for them, in a truly un-limited way.

This is the Rough Guide to the world of work. Find work that works for you.

Soultrader

find purpose, find success

Carmel McConnell, Paperback, Mar 2002, 224 pages



How would you like to feel excited about your life again? And if that's not enough, how would you like to be more successful and high-achieving? That's what soultrading is all about - having a personal strategy that you really buy into.

Soultrader is a down-to-earth guide to getting to know yourself properly from the inside. It is a combination of "rough guide to your real self" and career path, with an underpinning of practical soultrading exercises.

Based around key career events e.g. your first job, getting noticed, setting career priorities, navigating the politics, getting promoted, building a network, going it alone and building a market reputation, Soultrader shows how and why soul is the foundation for your success.

Your soul can help you figure out what you want to be when you grow up. Much more than the boss ever could.

- Presents the compelling idea of getting excited about your life and work again
- Everybody, especially in a downturn, needs to know how to differentiate themselves from other people - who you are at soul level is the biggest differentiator there is
- Considers every stage of the career path - and offers the would-be soultrader a grounded guide for immediate results
- Guides you in practical, everyday situations when you need it most - such as deciding on a new career direction

Future Prospect

By: Jayachandra, Y Melkote, Gita

Retail Price : Rs.395.00, Publisher: Tata McGraw-Hill

This book is about the theory and thought behind successful envisioning of e-business in the long term. While it does not offer the ultimate word on this topic, it provides a starting



point for provocative ideas, trends and predictions to enable readers think more creatively about businesses.

Written by two experienced professionals from Silicon Valley, who have been involved with consulting, research and writing, the book offers a range of envisioning methods and enabling models and technologies for senior business professionals to set an

agenda for their core businesses. The challenges include: How can professionals plan to make their business operations more effective and efficient?

How should they utilize the evolving infrastructures of information and enabling technologies? How can one assess their impact in changing business rules and operations? How to effectively plan e-business operations?

The authors of Future Prospect draw upon the wealth of ideas and experiences of industry stalwarts from Silicon Valley and institutions from high tech industrial centres around the world including Seattle, Boston, Dallas, Tokyo, Osaka, Zurich, Frankfurt, Brussels and Paris. The purpose of this book is to instil certain core values to enable businesses succeed in the digital era.

CRM at the speed of light

By: Greenberg, Paul

Retail Price : Rs.395.00 , Publisher: Tata Mcgraw-Hill



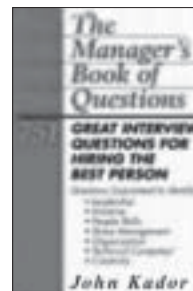
Get winning strategies for acquiring and retaining customers by leveraging the latest advanced technologies. This insightful and authoritative book shows you how to select the right tools for your business--so it can grow today--and on into the future. Paul's 2nd book on the hot topic of CRM should become the standard for straight talk on what can be a complex subject. This guy really gets it and his readers will too!--Bruce Culbert, Senior Vice President, and CRM Global Practice Leader, KPMG Consulting What Paul Greenberg does here in CRM at the Speed of Light is to help companies know where to turn for help as they decide what to do.

He doesn't pull any punches (he even made us wince a few times), but his goal is not to flatter. Its to provide a handbook of what to do to build the necessary capabilities, and how to choose the partners that will lead to successful customer-based ROI.--Don Peppers & Martha Rogers, Peppers & Rogers Group. CRM is becoming an enterprise strategy--an integrated and integral part of every successful company. CRM at the

Speed of Light shows you how. Paul Greenberg gives great insight to the changing landscape and success factors that executives need to know.--Craig Conway, President and CEO, PeopleSoft Inc.

Every business has a mandate to get, keep, and grow profitable customers. CRM technology has expanded quite a bit over the last year, and it is constantly evolving in search of better, smarter approaches to create ongoing dialogs with customers. In his eagerly awaited 2nd edition, Paul sheds light on this new era of CRM with his trademarked wit and candid honesty. Fortified with Paul's insightful commentary readers, will come away with a comprehensive view of the CRM market.--Roger Siboni, President and CEO of E.piphany CRM--Customer Relationship

**The Manager's Book of Questions
751 Great Interview Questions For Hiring The Best Person**



By Kador, John

Retail Price : Rs 150

Year Of Publication : 2003

Publisher : Tata McGraw-Hill

You're a half hour into the interview and you still don't know who's on the other side of the desk. What you need is The Manager's Book of Questions 751 powerful, penetrating questions that get you beyond the pat answers to the person behind the resume.

Organized by topic, this book gives you hundreds of questions to make your interviews more procedure: is the applicant a team player?(35 teamwork questions); hwo does the candidate react to stress? (25 stress-management questions); is the applicant able to field the unexpected?(25 questions to test how well candidates think on their feet); does the applicant really want the job? (25 questions to determine motivation); plus over 250 questions for assessing specific skillsets, 100 questions to determine fit, 25 ice-breaking questions, and so much more.

Are you looking for creative thinkers? Innovators? Leaders? Aggressive sales people? Just one this book and find hundreds of great questions you can ask today. Peppered throughout this packed book are the favorite questions of recruiters at leading Fortune 500 companies-an arsenal of expertise that will upgrade your skills as an interviewer.

Special "Top Ten" lists include the top ten best interview questions, the top ten toughest interview questions, and the top ten worst or illegal questions. Make the most of your valuable interview time and get the information you need for a smart decision. For anyone who does any hiring, regardless of level, this is the "must-have" guide.

Competitive companies have come to realize that executive development is not a frill, but rather a sound investment in creating a responsive, enduring organization, rich in shared knowledge and practice, and united in vision. - Insead


Indian Institute of Management - Bangalore

Start Date	Title	Area	Director
08- 09 Aug 03	Managing the Knowledge Organisation	HRM	N M Agrawal, Abhoy K Ojha
11- 13 Aug 03	Negotiation Skills	GM	S Raghunath
18- 20 Aug 03	Managing Call Centres	HRM	V Anand Ram , Prof. Narendra Dev
26- 29 Aug 03	Communicating for Corporate Advantage	CS	DVR Seshadri, P D Jose, Bringi Dev
1 - 3 Sep 03	Risk Management for Banks and Financial Institutions	FC	Sankarshan Basu
1 - 3 Sep 03	State-of-the-Art Decision Modelling and Analysis	GM	Ishwar Murthy, Rajluxmi V Murthy
4 - 6 Sep 03	Supply Chain Management	POM	Janat Shah, Jishnu Hazra
28 - 30 Oct 03	Value Based Marketing Strategies	MKTG	DVR Seshadri S Ramesh Kumar
12 - 14 Nov 03	Creating and Managing Brand Equity	MKTG	Y L R Moorthi
12 - 16 Nov 03	Managing at the Edge	SSS	J Ramachandran, Ramnath Narayanswamy
4 - 6 Dec 03	Competitive Marketing Strategy	MKTG	Nagasimha Balakrishna Kanagal
4 - 7 Jan 04	Seeking Customers, Retaining Customers-The Indian Context	MKTG	S Ramesh Kumar
4 - 9 Jan 04	Advanced Oral & Written Communication Skills For Software Engineers-II	ITM	Ramnath Narayanswamy

Date	Title
10 - 12 Sep 03	IES-SMU Globalisation Strategies for Technology Companies
24 - 26 Sep 03	ESSEC-SMU Managing Successful Luxury Businesses in Asia
24 - 26 Sep 03	ESSEC-SMU Managing Successful Luxury Businesses in Asia
29 Oct 03	SMU-SVCA Workshop Forum: Company Restructuring and Management Buyouts
30 - 31 Oct 03	IES - SMU Managing Emerging Technologies
19 - 21 Nov 03	IES-SMU Financial Strategies for Technology Managers



Date	Title	Cost
1 Sept - 19 Oct 03	Advanced Management Programme with Study tour to Italy, France & Switzerland	Rs. 90,000/- + Travel
8 - 19 Dec 03	Programme for Young Managers - Building competencies to stay ahead	Rs. 38,000/-
13-17 Oct 03	Management Planning and Control Systems	Rs. 22,500/-





Indian Institute of Management - Ahmedabad

Date	Program	Director	Price
8 - 13 Sep 03	The Winning Edge: Communication Strategies for Leaders	M.M. Monippally	Rs. 30,000
15 - 19 Sep 03	Top Management Programme	A. Tripathy	Rs. 50,000
2 Nov 03 - 28 Feb 04	Management Education Programme	Piyush K. Sinha	Rs. 2,25,000
19 - 22 Nov 03	Men and Women at Work: (Un)spoken Messages	Asha Kaul	Rs. 24,000
18 Jan - 14 Feb 04	Middle Management Programme (Repeat)	Sanjay Verma	Rs. 70,000
4 - 17 Apr 04	Small and Medium Enterprises Programme	Rakesh Basant	Rs. 38,000



Indian Institute of Management - Kolkata

Date	Title	Taken by	Cost	Place
1 - 4 Sep 03	Supply Chain Management	Prof. M.N.Pal and Prof. Balram Avittathur	Rs. 18000	IIMC Campus
8 - 10 Sep 03	Strategic Cost Management	Prof. Mousumi Ghosh	Rs. 12000	IIMC Campus
11 - 13 Sep 03	Management of Non-Government Organisations	Prof. Ranjan Mitter	Rs. 6000	IIMC Campus
15 - 18 Sep 03	Strategic Brand Management	Prof. R.C. Bhattacharya and Mr. Jayanta Sengupta	Rs. 16000	IIMC Campus
18 - 20 Sep 03	Managerial Excellence (Non Residential - BANGALORE)	Prof. C. Panduranga Bhatta	Rs. 14000	Taj West End, Bangalore



Harvard School of Business

Date	Title	Cost	Place
2 Sep - 30 Oct 03	Advanced Management Program - Fall 2003 Session	\$49,000	HBS
3 - 26 Sep 03 Part I 2 - 21 Nov 03 Part II	The General Manager Program - Fall 2003 Session	\$38,500	HBS
9 - 12 Sep 03	Executive Renewal Seminar: An Exclusive Update	\$3,000	HBS
5 - 9 Oct 03	Leveraging Knowledge in the 21st Century Organization	\$6,000	HBS
12 - 19 Oct 03	Making Markets Work - Rwanda	\$1,800	HBS
2 - 7 Nov 03	Changing the Game: Negotiation and Competitive Decision Making	\$7,750	HBS
2 - 7 Nov 03	Leading Change and Organizational Renewal	\$10,000	HBS
4 - 7 Nov 03	Executive Renewal Seminar: An Exclusive Update	Euro 3,600	HBS
9-14 Nov 03	Families in Business: from Generation to Generation	\$10,000	HBS
12-15 Nov 03	Governing for Nonprofit Excellence: Critical Issues for Board Leadership	\$3,200	HBS
16 - 21 Nov 03	Sustainable Marketing Leadership for Mid-Sized Firms	\$15,000	HBS
14 Sep - 14 Nov 03	Program for Management Development	\$48,500	HBS
30 Nov - 3 Dec 03	Making Corporate Boards More Effective	\$5,750	HBS
4 - 7 Jan 04	Agribusiness/Agriaceutical Seminar	\$5,500	HBS
25 - 30 Jan 04	Achieving Breakthrough Value:Leveraging Employee and Customer Satisfaction for Profit and Growth	---	HBS

Note: The above list does not represent all the programmes. ManagementNext is not responsible for any error.



If those who think to achieve, Have a firm and focused mind, They will realize what they thought of, And even as they have thought of. - *Saint Thiruvallvar in Thirukural*

Consumer product marketers are way behind industrial marketers in understanding the branding process. While the former give too much spin to demographics, psychographics et al, the latter are masters of placing emphasis on the mother brand above all - *Dr Jagdish Sheth, professor at Emory University's Goizueta Business School.*

To my mind insight is elusive. It's difficult. It isn't a process thing. Insight is not about seeing new things, but seeing old things in a new way - *Santosh Desai, president, McCann-Erickson, India*

I think the mistake people make is in thinking that India is all about low cost. I don't think it is. To me, it is about high quality labor - *E Mervyn Davies, group CEO, Standard Chartered Plc in an interview with Business Today*

"A man is only as faithful as his opportunity." - *Chris Rock*


"There are no uninteresting things, only uninteresting people." - *Gilbert Keith Chesterton*

Learning is movement from moment to moment - *Krishnamurti, J.*

The universe is full of magical things, patiently waiting for our wits to grow sharper."- *Eden Phillpotts*

The voyage of discovery is not in seeking new landscapes but in having new eyes. - *Marcel Proust*

Indecision is debilitating; it feeds upon itself; it is, one might almost say, habit-forming. Not only that, but it is contagious; it transmits itself to others.- *H. A. Hopf*



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Brand Next?

Very soon the appeal of a brand will cease. The trend now is towards de-massification of the brand appeal. To succeed in the new age brands have to be customized and delivered personally

by Harish Bijoor



In the very beginning, it was the commodity! The commodity that held no individual status whatsoever. The commodity was as generic as it could get. Life was basic. Uncomplicated. Rice was just rice!

And then came the quasi-brand. As consumers evolved and articulated needs and wants which were multi-faceted, the basic staple evolved in its identity. Rice that came from the northern part of the country got categorized differently from the rice that came from the South. In many ways this distinction caused for a polarization of taste, want and need. The quasi-brand was here. North Indian rice that was long-grained and aromatic. South Indian rice that was shorter-grained and less aromatic!



The answer lies differently in every competing consumer market at different points in the trajectory of brand-life cycle. As the commodity morphs into a quasi-brand and then into a brand, the key question: how long will this last? What next again?

I believe that in the next point in the brand continuum the appeal of the brand will cease to exist altogether. Brands that are built on the generic format, and brands that believe in the traditional format of "Old Branding" will disappear as entities. On the contrary, brands that re-invent themselves and morph into dynamic, intrusive and participative parts of consumer life will flourish.

Brands therefore, to survive, will have to step off the pedestal of mass media television, Press and radio formats. Brands have to assume significance in people's lives on a 1: 1 format. Direct marketing and 1:1 appeal needs to be built into every brand offering. The paradigm shift has to take place.

1: 1 is personal and 1:1 is customized appeal delivered personally. The trend surely is towards the de-massification of the brand appeal. Massification is passé! But watch out here! As brands operate on 1:1 formats, the concept of the massified brand itself is in question. The brand will morph into a non-brand mode!

As brands adapt to one-on-one formats, a whole new competence needs to emerge in the realm of brand management. This competence is all about managing brands on non-mega-media formats. It is all about a competence that speaks more of 'below-the-line' and less 'above-the-line'. It is indeed a competence of physical work. A competence that dictates hard physical work in markets that make brands. Delivery standards can be easily set and delivery efficiencies can be easily tracked in this format! What a far cry from the good old days of easy advertising!

The super-brands of the future will be made in this format of market approach. The lazy brand that will not attempt this hard task ahead will fade away. The big brands of today that actually make an honest attempt at this route will survive and walk tall into a bright new brand future. ●

Brands therefore, to survive, will have to step off the pedestal of mass media television, Press and radio formats. Brands have to assume significance in people's lives on a 1: 1 format. Direct marketing and 1:1 appeal needs to be built into every brand offering.

And then came the brand. Basmati Rice! Texmati rice! And what's worse; every Basmati took on a brand name that differentiated one from the other. 'Kohinoor' Basmati rice competed with a 'Lal Quilla' Basmati rice! The brand had arrived! "What next?"

Let me postulate a personal theory that guides my every move and every step in the tortuous world of business in general and marketing in particular.

The simple thought: Everything is cyclical! Everything happens in a cycle of want and non-want. Take the habit in foods. In the beginning the market loves good old home-food. There is freshness, there is variety and there is personalization and plenty of ability to custom-make! And guess what? It's made by mom!

As society moves through its paces, home food becomes a victim of fatigue. One is looking for an offering that is different and food that has a tang that is distinct in its offering. The brand happens! A McDonald's Big Mac is as big a hit as any offering of a factory made burger can get! This phase goes on for a while! In most societies, this phase lingers on longer than any! This is indeed a phase that is buoyed up with plenty of money power and all the advertising the category can afford! What next?

The author is a brand-domain specialist and CEO, Harish Bijoor Consults Inc. with a presence in Hong Kong, London and Bangalore.

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Mind of an ant



Ants never quit

- If they're headed somewhere and you try to stop them, they'll look for another way
- They'll climb over, they'll climb under, they'll climb around
- They keep looking for another way

Ants think winter all summer

- You can't be so naïve as to think summer will last forever
- So ants are gathering their winter food in the middle of summer
- You've got to think rocks as you enjoy the sand and sun

Ants think summer all winter

- During the winter, ants remind themselves, "This won't last long; we'll soon be out of here"
- At the first warm day, the ants are out
- If it turns cold again, they'll dive back down, but then they come out the first warm day

All that you possibly can

- How much will an ant gather during the summer to prepare for the winter?
- All that he possibly can

The Pope and KFC

A salesman from KFC walked up to the Pope and offers him a million dollars if he would change "The Lord's Prayer" from "give us this day our daily bread" to "give us this day our daily chicken." The Pope refused his offer.

Two weeks later, the man offered the pope 10 million dollars to change it from "give us this day our daily bread" to

"give us this day our daily chicken" and again the Pope refused the man's generous offer.

Another week later, the man offered the Pope 20 million dollars and finally the Pope accepted.

The following day, the Pope said to all his officials, "I have some good news and some bad news. The good news is, that we have just received a check for 20 million dollars. The bad news is, we lost the Wonder Bread account!"

English signs abroad

In a Bucharest hotel lobby

The lift is being fixed for the next day. During that time we regret that you will be unbearable.

In a Leipzig elevator

Do not enter the lift backwards, and only when lit up.

In a Paris hotel elevator

Please leave your values at the front desk.

In a Japanese hotel

You are invited to take advantage of the chambermaid.

In the lobby of a Moscow hotel across from a Russian Orthodox monastery

You are welcome to visit the cemetery where famous Russian and Soviet composers, artists, and writers are buried daily except Thursday.

On the menu of a Swiss restaurant

Our wines leave you nothing to hope for.

Readers are invited to share their real-life experience, which has a touch of humour. e-mail: editor@managementnext.com

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