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Does IT matter?

Nicholas Carr's article "IT Doesn't Matter," in Harvard Business Review (May 2003) has kicked off an animated debate about whether IT, like road, rail and telephone, has become commoditized or is it still of strategic value to companies

by Benedict Paramanand

No one, in recent times, has evoked as much rage and admiration as Nicholas Carr has managed to by one provocative article. He has shaken IT vendors and consultants out of their wits and has put doubts in the brilliant minds of Bill Gates and Craig Barrett.

In the controversial article Carr examines the evolution of information technology in business and shows that it follows a pattern strikingly similar to earlier technologies like railroads and electric power. For a brief period, as they are being built into the infrastructure of commerce, these "infrastructural technologies," as he call them, open opportunities for forward–looking companies to gain sustainable competitive advantages. But as their availability increases and their cost decreases – as they become ubiquitous – they become commodity inputs. From a strategic standpoint, they become invisible; they no longer matter.

Seeing IT in this light reveals important new imperatives for corporate management of information technology. Carr believes that executives need to shift their attention from IT opportunities to IT risks – from offense to defense.

The article also provides a broader exploration of the influence of information technology on business strategy, which is being published next spring as a book – *Does IT Matter? Information Technology and the Corrosion of Competitive Advantage* – by the Harvard Business School Press.

Carr's prophecy is expected to have a significant impact in the way business will now view IT. Sensing its explosive impact IT honchos have entered into a slanging match, which has turned the debate into quite an entertaining spectator sport. The Accenture Institute for Strategic Change is leading the Carr–bashing team with a labored rebuttal titled 'Why IT Still Matters'.

Accenture's Jeanne G. Harris and Jeffrey D. Brooks say that while some key aspects of IT are becoming commoditized, there is significant evidence that some IT does matter from a strategic business perspective. "Wise executives will manage the commoditized portions of IT accordingly and consider a variety of highly effective alternatives, including outsourcing the data processing component or an entire business process. Executives need to discriminate between commodity IT

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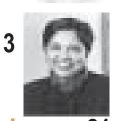
IT Special Issue

what's in...



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A MONTHLY NEWSLETTER FOR SMART MANAGERS

Mission

To be an effective resource of information, knowledge and perspective to managers

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projects and IT–enabled business initiatives that can produce top–line value."

They warn skeptical executives of the need to be wary of myths promulgated by those with a stake in commoditized IT products and services. "These myths blur the distinction between easily replicable IT infrastructure and distinctive IT–enabled capabilities with strategic business value."

Not to be left behind McKinsey Quarterly joins the debate. In an article in the spring issue 2003 titled 'Flexible IT, better strategy', John Seely Brown and John Hagel III make the case that information technology, far from lacking strategic worth, determines strategic value.

Overwhelmed by the flurry of heated responses Carr says: "I find it interesting, and perhaps telling, that while my argument has certainly raised the hackles of IT vendors, consultants, and pundits, most of the actual IT executives I've heard from have expressed genuine interest in and considerable agreement for my point of view."

Carr makes it clear that IT infrastructure is indeed essential to competitiveness, particularly at the regional and industry level. "My point, however, is that it is no longer a source of advantage at the firm level – it doesn't enable individual companies to distinguish themselves in a meaningful way from their competitors. Essential to competitiveness but inconsequential to strategic advantage: that's why IT is best viewed (and managed) as a commodity."

Bill Gates assailed Carr's article in a speech at the recent Microsoft's CEO Summit saying: "And so when somebody says IT doesn't matter, we've either achieved a limit where it's just perfect, everybody sees exactly what they want, or we've gotten to a point where it simply can't be improved – and that's where we'd object very strenuously."

Carr responded to this by saying: "What the article argues is that we're at the point where any technological improvement in the management of information will be quickly and broadly copied, rendering it meaningless for competitive advantage."

Adam Lashinsky, a writer at the Fortune magazine may have the best judgment on the debate: "Carr is accurately describing the technology world in the post–bubble era. My hunch is that prudent investors will side with Carr." Some say that Carr may be early in calling this a turning point for the industry.

Interestingly, as Carr's article sent shockwaves through the technology world noticeably silent in this debate have been business executives who have grown tired and impatient with technology long ago. While they haven't spoken out, their changing buying behavior says loud and clear that Carr's arguments are more on target than the IT industry is willing to believe.

Cisco Systems' response gives Carr the benefit of doubt when it states: "IT is becoming a more powerful tool for gaining competitive advantage, not less so. But Wal–Mart, Amazon, eBay, and other great companies didn't succeed because their information technology was better than others. Their vision was."●

The new face of a CIO

A CIO's strategic role is getting diminished. The only way to stay relevant and even dream of grabbing the hot seat is to be passionate about business rather than IT

by Benedict Paramanand

Over 50 CIOs had gathered to listen to Bud Mathaisel, currently CIO with California–based Solectron, and on the advisory board of the CIO magazine, in Bangalore recently. He said he had spent over 40 yeas in IT and was very happy to retire as a CIO. Although it wasn't reassuring to the CIOs gathered here he impressed upon them that the new–age CIOs should have a passion for business, not just for IT, if they aspire to become CEOs.

CIOs join their colleagues in HR and finance in their 'subliminal fear' of irrelevance due to the blinding changes in technology and business context. Their roles now call for a major rejig, one that relates closely with business dynamics and aligning themselves both strategically and tactically with their companies.

"There is a clear barrier that exists between IT and business," Mathaisel said while listing the top five challenges facing IT today. These are: IT cost reduction; next generation ERP; IT security and business continuity; reskilling internal IT and realities of on–demand IT.

"Those who provide value for the best price will win," he said adding "But a big trend CIOs will have to note is that future economies are dependent on reuse of low cost resources."

But there is a danger in the current trend of companies preferring non–specialized IT person as CIO. "Some times it works sometimes it doesn't. Mistakes have been made. But it's better to take a person who has a passion for business than just for IT."

Why CIOs hate reporting to CFOs

Amidst all the changes what CIOs hate most is the return of the cycle where they are increasingly required to report to CFOs. The percentage of CIOs reporting to CFOs doubled this year from last year, according to CIO magazine's "The State of the CIO 2003" survey. Reporting to the CFO rather than the CEO or COO is almost always a sign of diminished clout.

Executive recruiters report that companies are looking for low–cost techies and surprisingly, junior employees to fill the role of CIO. In 2001, in the US, compensation for CIOs at large companies decreased for the first time since 1985 and has slid 16 percent–from $434,000 in 2001 to $363,000 in 2003, according to IT management consultancy Janco Associates.

The increased interest in outsourcing and shrink–wrapped technology strategies has emboldened some CEOs and corporate boards to rein in what they see as an over inflated executive position. "Companies are stepping back and saying the CIO's job isn't that big anyway. We're making less investment in IT. We have a smaller headcount. We're not going global and doing any mergers. We're done with ERP. We're sending it all offshore. Therefore we don't need the caliber of CIO we may have had in the past."

There's no question that in some quarters the critical role of the corporate CIO as commander in chief of technology–driven business opportunity is in jeopardy.

As executives and corporate boards remain focused on cost cutting, they're tightening the reins on IT. According to the 2003 CIO survey, 84 percent of CIOs said their IT function is currently being budgeted as a cost center that generates expenses rather than an investment center that generates new business capabilities.

How to make a comeback

Clearly CIOs are fighting a tough battle to make a comeback. They have realized that they need access to the executive team and the best way to do that is to be a key component of their projects, provide advance warnings of problems, recommend solutions and speak in business language–not technology.

- **Put fiscal controls in place** – a business approach to making IT decisions and investment in IT like a financial portfolio
- Surround yourself with people who have business backgrounds
- **Get out of your office** – leaving for a stint in procurement or finance
- Teach your staff to be businesspeople
- **Make the numbers tell the story you want** – CIOs need to show the business that their departments are more than money pits
- **Work those relationships** – In some cases, CIOs are doing a great job; they're just not communicating it effectively. You need to share information that shows real business value

The CIO role may be in real danger of being dumbed–down, diminished or ditched but enterprises that think they can do without a strategic CIO are kidding themselves.●

Are marketers relying too much on intuition?

Building strong brands isn't getting any easier. An explosion in the number of brands–as well as a proliferation of ways to communicate them, from hundreds of cable channels to the Internet, product placement in movies, and even mobile–phone display screens has made it tougher to get messages through. In addition, converging product–performance and service levels in many industries have made it more difficult to sustain existing brands.

Marketers rely too much on intuition. The key to building brands more scientifically is to combine a forward–looking market segmentation with a better understanding of customers and a brand's identity. Rising above the clutter without breaking the back will require companies to get smarter about branding say Nora A Aufreiter, David Elzinga and Jonathan W Gordon in their article in *The McKinsey Quarterly*, 2003 Number 4

A few companies are starting to build their brands more scientifically and in doing so have pushed marketing to new frontiers. The key is combining a forward–looking market segmentation with a more precise understanding of the needs of customers and a brand's identity. The wealth of information about customers and buying patterns and the availability of more sophisticated and accessible statistical tools make it possible to undertake these tasks with more precision and accuracy than ever. In short, reaching the next level requires a more rigorous, data–based edge to branding.

Certainly, even the most advanced quantitative techniques can't save brands whose value propositions lag behind those of competitors. And adopting new methodologies has its challenges. The solid analytics at the heart of the new approach may not only require new skills in the marketing department but also highlight steps that other parts of the organization–from product development to operations to customer service–must take to help deliver the brand. Moreover, some marketers may worry that adopting more quantitative techniques will compromise their creativity. In our experience, say the authors, getting analytical about customer needs and the brand identity helps channel the imagination into areas in which it makes a difference. And the ability to avoid costly trial and error and to build a better brand more efficiently is too compelling to pass up, particularly in challenging economic times.

The first order of business is to take a hard look at the long–term profit potential of each customer segment; otherwise, marketers can waste a huge amount of effort defining and delivering brands for segments that don't warrant the investment. While no good brand manager ignores shifts that are clearly under way, marketers have traditionally based their segmentation schemes on current conditions, such as the size, income, age, and ethnicity of various target populations; estimates of their consumption and loyalty; and information about their locations, lifestyles, needs, and attitudes. Helpful as traditional segmentation efforts are, they run the risk of leading companies to chase customer groups with weak long–term potential.

Once marketers have their eye on the most promising future segments, they must rethink the brand–an increasingly complex process. Brand proliferation and rapid imitation have diminished the return on clever advertising and "breakthrough ideas," such as adding a "miracle ingredient" to a detergent or associating a sports star with a particular brand of athletic shoes. Today, cost–effective brand building depends on knowing precisely what consumers care about and tailoring the brand accordingly. Sophisticated new analytic approaches provide the precision but only when coupled with conceptual clarity in first defining a brand and then actually delivering it through a variety of what marketers call "touchpoints," the sites where consumers interact with it.

Honest pricing pays

A great variety of companies – cell phone operators, rental car companies, video rental chains and many others – price their products and services in ways that confuse and irritate their customers, according to the authors Barry Nalebuff and Ian Ayres. They lure people in with teaser rates, two–for–one–deals, "free" gifts and so on, and then slap them with late fees, charges for "extra" usage and other unanticipated costs.

The conventional wisdom is that such tactics are a good idea; after all, they allow companies to boost profits while seeming to price competitively. But, say the authors, hidden pricing can be harmful not only for consumers who can't figure out what something really costs, but also for the businesses that engage in it. That's because it isn't enough to fool customers.

Companies also have to fool their competitors with pricing games, and that is much harder to do. Rivals are equally good at fooling customers and will spend heavily to attract them. If competition forces a business to spend an extra dollar today in order to attract a customer worth an extra dollar tomorrow, neither the business nor the customer ends up any better off.

Using examples from the appliance industry and restaurant business, the authors show how companies that engage in honest pricing can enjoy important benefits – happier customers, clearer product differentiation and, consequently, higher profits.

Barry Nalebuff is the Milton Steinbach Professor of Economics at the Yale School of Management in New Haven, Connecticut, and Ian Ayres is the William K. Townsend Professor of Law at Yale Law School.

Risks of HR outsourcing

Some observers see outsourcing as a key trend (perhaps even **the** key trend) shaping the future of human resources (HR). They envision HR departments focused entirely on strategic activities, leaving all the transactional and administrative activities to vendors. But, Paul S. Adler cautions that outsourcing any business activity creates potential risks as well as benefits: Companies can find themselves overly dependent on suppliers, and they can lose strength in strategically core competencies.

Given the importance of the outsourcing decision and the amount of academic and practitioner literature on it, there is surprisingly little consensus about the topic, says the author, probably because of the multiplicity and complexity of the factors involved.

The author synthesizes the strongest of the available research and identifies the six key factors that companies should consider when making important outsourcing decisions. The framework, which helps assess the pros and cons of outsourcing, can be applied specifically to HR functions. In particular, it can help explicate the managerial issues of outsourcing agreements.

Paul S. Adler is a professor in the department of organization and management at the Marshall School of Business, University of Southern California, Los Angeles.

Short–termism should not be transmitted to values: Mohanbir Shawney

Businesses are increasingly being threatened by short termism in everything they do. Their product life cycles are getting shorter; their technological cycles are even shorter; and their investment horizons are no better. And with shareholder capitalism thriving mainly on short–term profits managers today find themselves in hot water most of the time.

Mohanbir Shawney, McCormick Tribune Professor of Technology at Kellog School of Business, told Capital Ideas Online that Management today boils down to balancing half a dozen paradoxes or dilemmas or dichotomies — short term vs. long–term, profits vs. growth, operating responsibility vs. profits, adaptability vs. size and so on. "I think good managers are those who manage to transcend this. Yes, there is a short termism, but the important thing is to understand what changes and what stays the same. I think you can build a bedrock of values, you can build a vision that is lasting and still have an organization that is very adaptable."

So the paradox here is to have an adaptable organization and have a very stable core at the same time, he says. "I think you can reconcile these. It's not easy, but I think you can see the examples of companies like IBM or GE or players like ABB — that are extremely flexible and adaptable, but are still big, large and stable companies with a very stable culture and a stable core. I think the trick is to understand and watch what's going to change."

"Therefore I think values and character actually are the bedrock upon which you can build some very flexible structures. But when your bedrock starts to shift, in that short term, short termism should not be transmitted to the values."

"Two observations that I make are that first of all I don't believe that the corrosion of character is inevitable — it's an inevitable consequence of short termism. Secondly, I believe that the way you can attract this is by maximizing your ability to respond and be flexible while retaining stability at the level of culture and at the level of values. And that's what good companies and great companies are able to do. They are able to be continuous and have continuity in culture but yet are very responsive in the short–term changes. That's what leadership is really about. Therefore, paradoxically you know character becomes more important in times of great flux and changes and turbulence. So that's the anchor."

Prof. Sawhney is the co–author of two books – The Seven Steps to Nirvana: Strategic Insights into eBusiness Transformation , and Techventure: New Rules for Value and Profit from Silicon Valley.

Pictures – a start to creativity

Somewhere between kindergarten and middle management we forget about using pictures and visual images to promote and support learning and understanding at work. It's time to say no to text and classrooms

By Robert Dennison

When you tell people what they need to know, they smile politely and forget. When they discover something for themselves, then they own the discovery and are more likely to remember and apply the learning.

Every day, we hear how companies do not want "chalk and talk" type training. In so many ways the idea of the trainer up–front and the learner passively absorbing information is dead. It may work in a tertiary education environment with highly capable and motivated students. It is probably not working in your business. This is why training ROI is getting such bad press. Putting people in an average classroom environment, with very average content, an average corporate trainer and a one directional flow of information produces only one exceptional result. An above average waste of money!

In the same way that advertisers use creativity to grab the attention of consumers, instructional designers, trainers and line managers need to use creativity to grab the attention of learners. Now more than ever, we need creativity in the training room. In fact maybe we do not even need the training room at all, we just need creativity in training.

Since it is not appropriate to start singing at work, we should probably start with visual and experiential creativity.

Somewhere between kindergarten and middle management we forget about using pictures and visual images to promote and support learning and understanding at work. Instead we opt for text – files of text, black on white, page after page.

Provocative Questions

❍ How thick is your Standard Operating Procedure Manual?

❍ What is the literacy level within your organisation?

❍ How many of your employees have English as a first language?

❍ Do you think that the average training course is engaging?

❍ What if words were banned and only pictures could be used from now on?

There are many reasons why pictures add such value to training. The list below is just for starters.

❍ For people to get 'the BIG' picture, you need to show it to them. If you can see what I can see, you will better understand why I do what I do.

❍ Pictures can provide an acceptable substitute for the real thing. If you cannot take a tour of an ideal factory, a tour of a visual representation is a close second.

❍ Pictures promote accelerated learning.

❍ Pictures are language independent.

❍ Attention to detail in pictures results in remarkably consistent interpretations.

❍ Pictures help people explain 'stuff' to each other.

❍ 80 percent of our brain is used to process visual input.

❍ The simplicity of pictures empowers learning.

In the same way that advertisers use creativity to grab the attention of consumers, instructional designers, trainers and line managers need to use creativity to grab the attention of learners

If you are not yet convinced, think back to the days of DOS. This was before Mr Gates gave us the much–loved Graphical User Interface called Windows. Think of a share price movement over time – do you prefer the graph or the tables. What about an organisational chart, you can draw it or describe it long hand. What do people understand best?

If the objective is to engage learners and accelerate learning in corporate, we need to look at creative ways of doing so. What about games that accelerate learning, what about engineered heated debates, what about discovery and aha moments, what about experiential activities that invigorate learning. Metaphors, analogies, puzzles, models, the list could go on. Anything but an 80–page lever arch file full of text being drip–fed to learners while they are stuffed away in a pokey training room for three days.

Pictures provide an easy starting point for creativity in learning.

The author is the Managing Director of South Africa–based Trainiac (Pty) Ltd, pioneers in picture–based learning systems.

http://knowledge.wharton.upenn.edu

BPO – A view from the developing world

In a round–table discussion, ***Ravi Aron****, a Wharton professor of operations and information management raises several questions with* ***Kiran Karnik****, president of Nasscom, a non–profit organization that represents more than 800 IT companies and BPO providers based in India, 200 of which are U.S. multinationals.*

Aron: We often hear that the off–shoring of processes is not about lower wage rates alone. Many businesses say that they are surprised by the quality of talent that is attracted to jobs that may be considered dead–end jobs in the advanced economies.

Karnik: In India, more than 99% of all call center workers are college graduates. In the U.S., there are no minimum education qualification requirements to work in a call center.

Kiran Karnik
President
Nasscom

Aron: Some groups that advocate labor interests claim that many of these operations are data sweat shops…

Karnik: According to a NASSCOM–Hewitt Associates survey, the average salary of a call center worker in India is $180 a month. This is five times the country's per capita income. For a fresh college graduate, a call center job pays about 2.5 times as much as other job openings.

Aron: Several commentators have said that call–center work spreads have declined for companies transferring work to India as costs are beginning to catch up with the West. What are your thoughts?

Karnik: There are a number of attractive destinations for call center operations – many of them have people with high skills and comparable infrastructure. However, India's single–biggest comparative advantage is the scalability of the country's talent pool. To illustrate, you can set up a call center with 100 employees anywhere in the world. However, if you need to scale up to 1,000 people in six months, and then to 5,000 in two years, you could do that only in India. This is attributed to the sheer size of the talent pool in India – more than 2 million graduates every year. In addition, several benchmarking studies have shown that India is the leader in quality, productivity and customer empathy.

Aron: Going beyond call centers, if India wants to attract higher–end process execution businesses (either in the form of captives or as BPO plays) the physical infrastructure and the skill levels are going to have to play an important role. Specifically, what does bandwidth cost in India?

Karnik: NASSCOM estimates suggest that private firms have spent close to $4 billion in setting up a world class, large and spatially dispersed telecom infrastructure in India – this includes connectivity by fiber optic cable and satellite. The cost of an international half–circuit (India–U.S.) is approximately US$1,900 for a 2 Mbps link.

Aron: While on the subject of connectivity, let me ask a follow–up question. Most of the BPO action in India is concentrated in Hyderabad, Bangalore, Chennai, Delhi and perhaps, Bombay. Do you see the second–tier cities playing a role in attracting BPO businesses? What will be India's telecom infrastructure in the next 24 months in the context of these cities? What is the cost of connectivity in these cities? How easy is it to get connected to these cities?

Karnik: The publicly owned BSNL (Bharat Sanchar Nigam Limited), and the privately owned Reliance Infocomm and Bharti Telecom are all investing in a nationwide rollout plan for telecom connectivity. It has to be remembered that the state–owned STPI (Software Technology Parks of India) has set up software parks in many second–tier cities such as Mysore, Chandigarh, Cochin, Ahmedabad, Pune, and Nagpur, and STPI offers international connectivity via satellite at comparable costs. In addition, these cities have a large and growing pool of talented graduates. A number of large BPO companies are also expanding in second–tier cities. It is likely that the BPO industry will become more geographically dispersed in India and emerges strong in these cities too.

Aron: Are there certification programs for various BPO skill types in India? To what extent have efforts been made to train and test information workers in the skills that are needed in this industry?

Karnik: BPO units in India and software units in India are among the world leaders in quality and skill standards. To illustrate, 48 of the 60 global CMM Level 5 firms (established by Carnegie Mellon University) are in India. There is considerable adoption of standards such as Six Sigma, COPC (for call centers) and ISO 900x. Almost every significant company invests in training its workers – most employees have to undergo mandatory training of three to four weeks every year. In addition, the education sector in India is highly adaptive with growing private sector participation and it offers a number of courses not only in software engineering but also in customer service, accounting and legal services.

Aron: A key driver of success in scaling up for BPO firms will be their ability to attract and train talented middle managers. My research based on a survey of Indian process execution centers seems to suggest that the availability of senior and middle management talent will be a key issue in determining whether or not firms can grow in scale and scope of activity beyond the next three or four years.

Karnik: Large BPO service providers are increasingly recruiting from business schools and laterally from other industries. Increasingly, the industry is attracting talented middle and senior management from other sectors of the economy such as retail, insurance, banking, airlines, hotels, and manufacturing.

Aron: What has been the revenue impact of services outsourcing into India? Can you share dollar volume estimates of this trend?

Karnik: The software services and BPO services export industry in India has grown its revenues from $6.2 billion in 2000 to $7.7 billion in 2001 and $9.5 billion in 2002. In 2003, NASSCOM estimates the industry will grow its revenues to $12 billion.

Aron: Indian governmental policies continue to irk foreign investors. They agree that things are better than they were in the past, but the regulatory regime is nevertheless nowhere as investor friendly as Singapore, Mauritius, Chile, etc. What are your thoughts?

Karnik: The software and BPO industry in India is arguably the most investor–friendly. There are minimum clearances required and there is single window clearance at the STPI. MNC units are being set up rapidly – one every two days. This surely highlights the investor–friendly regime for setting up software or BPO operations in India.●

Manage aspirations smartly

Innovation in the way people are being managed in IT companies is showing results. But companies need to go beyond perks and invest in managing the aspirations of its people

By Jyoti Sahai

Seema is sweating out in a swanky company gym. Meena is working on her laptop at home while her six–year old daughter plays beside her. Naresh, along with his wife and son, is enjoying the sunny beaches of Hawaii. The three IT geeks obviously work with companies that are trying to manage their people innovatively.

Why has the problem of managing employee aspiration become so critical? A cursory glance at the operating results of various IT companies reveals that people costs are anywhere between 50 and 75 percent of the total operating costs.

However, for an IT services company, people management cannot be seen as a cost management mechanism alone. It is imperative that human resources department is seen as a partner in the company's endeavor to achieve its business objectives.

In this era of decreasing margins, there is great pressure on managers within IT companies to manage these resources prudently so as to optimize their potential while keeping people satisfied. This is easier said than done. It is difficult to determine the right potential of any staff to start with, and obviously it is always an uphill task to satisfy them.

We know the story of two construction laborers responding to the question – what are you doing – differently. One said he was laying bricks while the other said he was building a castle. It's the same with IT employees. While some are satisfied with just having their own work specifications laid out clearly, others are keen to know the big picture along with their specific role in it.

Thus people management within an IT company has to be increasingly innovative to achieve diverse objectives. Everyone within the company should be part of people management, NOT just HR. Others too have a stake in it.

It is a fact that attrition is a way of life in the IT industry and cannot be eliminated totally. Instead of focusing solely on reducing attrition, managers should strive to devise means to retain people. Such an approach not only leads to a positive mindset, but more importantly also gives rise to innovative methods of ensuring retention.

How to achieve synergy between people and company objectives

How do we retain people in this era of fast mobility and perhaps decreased loyalty? How do companies make their people management mechanism more effective? A simple and effective mantra is to determine and manage employee aspirations, and have synergies between his/her aspirations and those of the company.

Several employee satisfaction surveys in recent years have shown that employees seek and expect care, fairness, openness, and good growth opportunities (and obviously fair compensation).

One of the effective mechanisms for taking care of the employees is to be aware of their specific lifecycle needs and provide avenues of assistance to them accordingly. They are resulting in a better work–life balance for the employees resulting in lesser stress and greater motivation leading to higher productivity.

Companies that are fair in all their dealings with people do earn due respect and loyalty from them. Transparency in communications and structured performance assessments go a long way in proving fairness to employees.

Innovation is needed in ways of collecting and redressing employee grievances like having 360^{o} appraisals, having an open office with an open door policy, and allowing skip level meetings. These actions could very well instill a sense of confidence in the employee that the company is fair to him/her.

Research has shown that an employee feels greatly motivated when he/she is generally aware of the happenings within the company, company's short–term goals and long–term vision, and how he/she is involved in meeting those objectives. Regular management updates, frequent employee meets, effective improvement suggestions collection and addressing mechanism, periodic newsletters, drawing up of organization and project charters are some of the ways through which a company's vision can also become the shared vision of all employees.

Finally the most important expectation of any employee is the availability of adequate career growth within the company. Fair performance assessments and drawing up of (and subsequently acting upon) individual development plans do help achieve this objective. Innovative companies inspire continuous learning across the organization matching individual aspirations with company's needs.

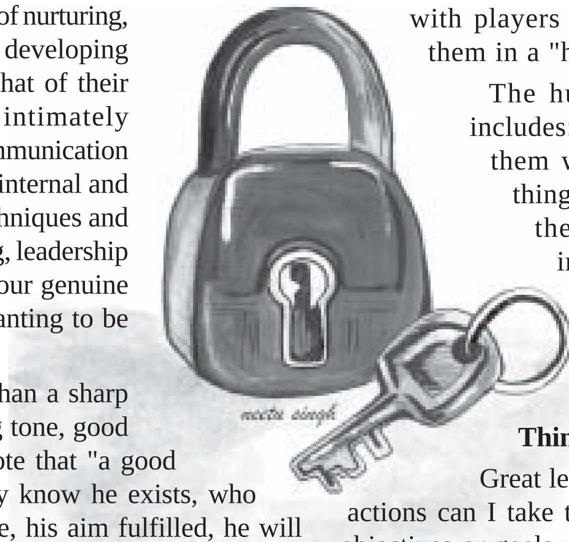
This makes it imperative that what we now need is an ERM – Employee Relationship Management system within an IT company?

The author is a Managing Consultant with vMoksha Technologies Pvt. Ltd. Bangalore

Unleash the great leader within

If you want to be an effective leader, learn from great leaders but don't lose your identity in the process

By Dave Rogers



Great leaders follow a formula of nurturing, stretching,encouraging and developing their own skills and talents and that of their teammates. Great leaders are intimately familiar with the importance of communication and focus on developing superior internal and external communication tools, techniques and strategies. According to Lin Yutang, leadership is "having the courage of being your genuine self, of standing alone and not wanting to be somebody else".

To be a leader it takes more than a sharp suit, a powerful voice, a sparkling tone, good looks and charisma. Lao Tsu wrote that "a good leader is best when people barely know he exists, who talks little, when his work is done, his aim fulfilled, he will say: we did it ourselves."

Great leaders like Lee Kwan Yew, John F. Kennedy, Ronald Reagan, Bill Gates, Sam Walton, Anita Roddick, and Richard Branson, as well as contemporary spiritual leaders such as Billy Graham, Dalai Lama, and Neale Donald Walsch have different styles but their similarities rang loud and clear.

Trading minds

All great leaders consider the situation of the people that they are facing. He or she knows the audience, gets to know their interest, and will quickly ask himself or herself: "If I were in their situation, how would I react to this? Great leaders identify with their people and can effectively trade minds with individuals or the masses. It is the art of communication that allows great leaders to connect, motivate and inspire while maintaining full congruency with their own values, beliefs, and vision.

While celebrating his 80th birthday recently in Singapore, Lee Kwan Yew cited the many paradoxical experiences during his rule, the wonderful experiences in nurturing Singapore's birth and ever evolving re–birth, to the tough choices that stretched his resolve and tested his convictions.

The human way

"When the going gets tough, the tough get going" are the famous words made popular by American football icon and coach, Vincent Lombardi Junior. Lombardi used his Emotionally charged personality to help lead his Green Bay Packers team to two Super Bowl Championships during the 1960s. While his "fire and brimstone" approach worked splendidly with the majority of his team players, Lombardi was equally congruent and capable of working with players on a one–to–one basis and handling them in a "human way."

The human approach to great leadership includes: Talking to people privately; praising them when they do well; pointing out one thing at a time when they do better and help them find a step–by–step approach to implementing their plan. As a general practice, great leaders, through actions, show that they put people first, practice praising people and rub people the right way.

Think progress

Great leaders ask great questions such as "What actions can I take to be progressive towards reaching my objectives or goals right now". A great leader encourages a new wave of leaders, encourages progress, encourages improvement, and sets aside his ego in order to see progress implemented.

Tap your supreme thinking

Great leaders resolve to set aside some time each day (at least thirty minutes), to be completely by themselves to explore two types of thinking: Directed and Undirected.

Directed thinking involves reviewing a major challenge or opportunity in your life. In solitude, the mind will study the problem objectively and lead you to the right answer. Great leaders turn problems into opportunities. All problems are an opportunity for someone, somewhere, somehow! Ask yourself how can you shift your problems into an opportunity?

Undirected thinking is just letting the mind select what it wishes to think about. Undirected thinking is very useful in self–evaluation. How can I do better? What should be my next move? By nurturing and developing this energy great leaders are able to tap into the emotion or motion of energy and thereby increase clarity, congruency, and confidence in their way of being a great leader!

Being a great leader is a voyage. Learn from the great leaders to experience growth in a healthy and enriching manner. Empower yourself, take up the opportunity to lead and unleash the Great Leader Within!

Dave Rogers is a Master Coach, Business Speaker and principal founder of Massive Impact Coaching. For more about Dave's explosive motivational talks, personalized coaching programs and speaking topics including Leadership

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Ideas and insights from research papers

Success and Failure of Innovation: A Literature Review

International Journal of Innovation Management, Vol. 7, No. 3 (2003)

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This review examines 43 recent papers about factors behind success and failure of innovative projects. Nine out of the 43 papers report a larger number of possible causes for success or failure and provide some rank ordering. Analyzing these rankings we find that the nine studies have a significant degree of similarity among the ten highest–ranking success factors; however, there is little similarity among lower ranking factors.

The various studies remain either inconsistent or inconclusive with respect to factors such as strength of competition, R&D intensity, the degree to which a project is "innovative" or "technologically advanced" and top management support. Agreement exists, however, about the positive impact on innovative success of factors such as firm culture, experience with innovation, the multidisciplinary character of the R&D team and explicit recognition of the collective character of the innovation process or the advantages of the matrix organization.

http://www.worldscinet.com/ijim/07/0703/S1363919603000830.html

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The Many Sides of BPO

Bart Kocha, David Donnan, Daniel Henderson

Executive Agenda Vol.6 No.2

If business process outsourcing (BPO) has been possible for a decade or more, why do CEOs suddenly consider it essential? The short answer is the confluence of external and internal forces.

Externally, technology makes it possible to communicate as never before, meaning companies can position their key processes anywhere in the world. Internally, process–centric thinking has crept into the corporate mindset: Assets are no longer just warehouses and equipment, they are business processes as well.

In this article, the authors describe the various characteristics of BPO and offer reasons why some companies keep their key processes in–house, while others forge a path offshore; and why some firms contract for full–service BPO, while others opt for à la carte outsourcing.

The authors also offer decision–making tips: Make the outsourcing decision only after scrutinizing the entire organization, because in some situations outsourcing is not the best strategy. For example, a company with 12 procurement processes (one for each factory) may want to standardize the process and establish a shared–services center, rather than outsource.

Finally, they describe the skills necessary for successful outsourcing and address an implicit reality: Do not be afraid to make a BPO decision, but plan to reassess it as markets and business requirements change.

http://www.atkearney.com/

Where Have All The Early Adopters Gone?

An article by Mark Livingston, Dan Starta and Christian Hagen featured in Optimize magazine

An A.T. Kearney editorial – "Where Have All The Early Adopters Gone?" – was recently featured in Optimize magazine. The article explains how companies can reap business value from early adoption and the importance of integrating their technology with their business strategy.

The Optimize article is based on findings of an A.T. Kearney–Harris Interactive global business technology study executed by the Business Technology consulting group. Approximately 150 executives from the United States and Europe were interviewed and asked how they manage and use information technology to create measurable business value and position their companies for future competitive advantage

The study found that companies could generate differentiating business value by selectively adopting technology early in the lifecycle. However, these early adopters are only successful if they fully integrate their technology innovation with their business strategy. The article outlining approaches companies can take to effectively adopt IT and gain business benefits, includes charts, short case studies that illustrate the effectiveness of A.T. Kearney's recommendations, and a 90–day plan to help readers put A.T. Kearney's conceptual ideals into action.

The study's findings and their significance are also documented in a recently published A.T. Kearney white paper, The Road to Business Value: An Integrated Approach to IT Investment. The white paper highlights the main findings of the research, and also offers examples of best practices and suggests critical next steps for companies that want their IT to play a major role in defining and creating a competitive edge.

A leading monthly journal launched in 2001, Optimize features subject matter experts who share business ideas and strategies in key disciplines like marketing, finance, business management, law and corporate culture. The publication's stated mission is "to provide 70,000 business technology executives with business thought leadership and practical knowledge to bridge the gap between business strategy and execution."

http://www.atkearney.com/

Flexible IT, better strategy

Most CEOs would cringe at the idea that IT architecture–the way technology resources are organized–determines the agility with which companies can carry out good strategy. Yet the difficulty and cost of modifying today's rigid IT architectures, dominated by big enterprise applications such as ERP, can be so high that some companies would rather abandon new strategic initiatives than make a single change to the applications they already have in place.

Good news is on the horizon in the form of service–oriented architectures, which promise to reduce if not remove the current obstacles.

In this article, John Seely Brown and John Hagel III compare flexible service–oriented architectures to the more rigid IT architectures that preceded them. The authors make the case that information technology, far from lacking strategic worth, determines strategic value.

http://www.mckinseyquarterly.com

The Kinder Cut: A Macro Communication Strategy for Delivering News of Job Termination

M M Monippally (IIM, Ahmedabad)

Job termination is among the worst of the bad news being delivered in the corporate sector today. This paper argues that adoption of a macro communication strategy that alters employee expectations and through it perceptions about the fairness of termination can help companies sell the 'pink slip' rather than force it on employees.

If a company gets its employees to perceive as fair both its decision to downsize and manner of downsizing, the separation will be largely amicable even when no severance compensation is paid. As companies that fail to do so, the separation may be disagreeable for job–losers and survivors alike despite good compensation. Three Indian companies that downsized heavily in the last few years illustrate this argument with an analysis of communication strategies employed.

http://www.iimahd.ernet.in/vikalpa/

A Question of Power: How does Management Retain It?

Devi Akella (IIT, New Delhi)

This paper examines whether it is possible to create a knowledge–generating environment within contemporary organizations. Learning organizations or knowledge–creating companies are able to intertwine the aspects of workplace democracy and liberation of human spirit with the profit objective of management. This paper draws upon various power discourses present in management literature and empirical data gathered from two case studies of professional accounting firms, both cited as learning organizations, to understand whether the notions of workplace democracy, egalitarian, and cooperatively minded enterprises are realistic.

http://www.iimahd.ernet.in/vikalpa/

Pair Management and Virtual Hierarchies

Gaurav Kulshrestha (Tech. Trainee, PSL Ltd. Mumbai)

This paper analyses the structure of hierarchies in organizations and introduces a new concept called 'pair management.' Pairing leads to the formation of 'virtual hierarchies,' which act as a cushion against temporary disturbances in organizations. Pair management can be used effectively to incorporate robustness and efficiency in the existing hierarchies without disturbing their original structure.

http://www.iimahd.ernet.in/vikalpa/

The Performance Variability Dilemma

Eric Matson and Laurence Prusak

Performance variability frustrates managers everywhere. According to the authors, it takes a variety of forms: vastly different sales figures for similar retail stores in similar neighborhoods; significantly varying productivity rates at factories producing the same products; major differences in insurance payments for similar auto accidents.

In their quest to reduce performance variability, however, managers often go too far, say the authors. By forcing workers to "copy exactly" or "follow instructions exactly" in every situation, they make it far more difficult for people to use their own judgment and knowledge to solve problems that would benefit from a new approach.

Having studied this issue in depth, the authors found that the appropriate intervention to reduce differences in performance depends on individual work practices – their frequency and predictability. Practices that are more frequent and predictable tend to be more conducive to rigid duplication, whereas those that are rare and unpredictable have greater need for flexibility and innovation. The authors contend that it's not enough to have a balance between uniformity and discretion at the company level: Each group of practitioners within an organization must also have it.

Eric Matson is a consultant in the Knowledge Services group at McKinsey & Co. in Boston. Laurence Prusak is a Boston–based consultant and the co–author of "What's the Big Idea? Creating and Capitalizing on the Best Management Thinking" (Boston: Harvard Business School Press, 2003).

http://www.mit–smr.com/past/2003/smr45110.html

knowledge@wharton.upenn.edu

How Pepsi Got its Fizz Back

Indra Nooyi

One of the architects of Pepsi's transformation

In the last six years, PepsiCo has undergone a transformation, keeping its storied name but re–carbonating a business that had gone flat. It bought Tropicana, spun off its restaurant and bottling divisions and merged with Quaker Foods in a deal valued at $13 billion. These days, it owns not only such household brands as Pepsi and Frito–Lay but also Gatorade and Cracker Jack.

Like a runner in training, the company has come away from that tough regimen slimmer but fitter. Its sales dropped from $31 billion in 1995 to $25 billion last year. But its operating cash flow rose from $1.4 billion in 1995 to $3.3 billion last year. "In a perfect world, I'd be able to tell you we executed this restructuring flawlessly," said Indra Nooyi, PepsiCo's president and chief financial officer. "Naturally, that's not the case. The process was neither smooth nor seamless. Many times it felt like baptism by fire."

Nooyi, one of the architects of Pepsi's transformation, came to Wharton on Sept. 25 to give the school's leadership lecture. In addition to her position as second–in–command at PepsiCo, she is this country's highest–ranking India–born female executive. For the last two years, Fortune has named her the fourth most powerful woman in American business.

PepsiCo began the process of remaking itself reluctantly, she said. In 1996, while then–CEO Wayne Calloway was fighting cancer, he asked Roger Enrico, a longtime Pepsi executive, to take over. At first, Enrico resisted; he had been considering other options such as leaving Pepsi to teach. Eventually, out of allegiance to the company where he had spent his career, Enrico relented. Little could he – or Nooyi – have imagined what would happen next.

"Some very dark clouds moved in," Nooyi recalls. "After years of investing aggressively, too aggressively in retrospect, our international beverage businesses suffered dramatic losses. At the same time, our U.S. restaurant business – Taco Bell, Pizza Hut and KFC – faced volume declines, lower sales and lower profits. By year's end, we had taken writeoffs of more than $800 million. And to cap it off – this was the worst of it – Roger was pictured on the cover of Fortune magazine inside a Coke bottle.

"But Roger kept coming back to one essential truth. The opportunity was still there – the cash flow, the great people. None of that had changed. We just had to work smarter."

Top managers began to reassess every line of business, from products and prospects to customers and competitors. They concluded that beverages still held great promise, as did packaged foods. But the restaurants and the bottling division had to go because they were sapping profits. The spin–offs created two new companies – Yum Brands and Pepsi Bottling Group, which are both now publicly traded. (Pepsi still owns a large stake in the bottling company.)

The deals reinforced one of the lessons that Nooyi had learned over her career. "You have to think of a business like any investment. You have to know when to get in, but more important, when to get out. Getting out can be a lot tougher, especially if you develop an emotional tie to the business. But the world changes, and so should the models we apply to our businesses."

"For a leader looking to initiate big changes, the challenge is to state the objective in a way that grabs people. You have to establish what I call True North, that point on the horizon that everyone's working toward."

Just as important as rigorous analysis when restructuring a company is a compelling vision of the future, she said. "For a leader looking to initiate big changes, the challenge is to state the objective in a way that grabs people. You have to establish what I call True North, that point on the horizon that everyone's working toward."

Enrico, who stepped down two years ago, told employees he wanted to turn PepsiCo into one of the defining companies of the 21st century. "Most people didn't know what he meant, but it sounded so good that they wanted to be part of it," Nooyi said.

Ploughing Through Snow

That sense of shared mission in a worthwhile undertaking led PepsiCo's employees to log hundreds of extra hours to make the restructuring a success. "People don't break their backs because you tell them to or you pay them well. They do it because they see a path to a bigger, brighter future," Nooyi noted.

Consider the team of Pepsi managers working on the Quaker merger in 2001. One of the team's first meetings after the deal's announcement was slated for 8 a.m. on a Saturday in January. But a storm blanketed the New York area with more than a foot of snow the day before. Nooyi lives near the company's headquarters and headed into the office.

Before she left, she told her daughter to expect her home by about 8:30 a.m. because she doubted her team members, many of them spread around the country, would show up. At 8, her phone rang. It was a guard at the front desk announcing that 20 employees were downstairs asking for her. "They knew the blizzard was coming, so they arrived a day earlier and checked into the hotel across the street." Another staffer, John Compton of Frito–Lay, was in the air, circling a nearby airport in a company plane. He had left Dallas, where he was based, at about 4 that morning, and had instructed his pilot to keep circling until the airport opened. "John's was the only plane that was allowed to land in White Plains that day," Nooyi said.

But big demands can lead to big payoffs, as has been the case for PepsiCo. "I'm happy to tell you that in July we reported our 15th consecutive quarter of 13% or better earnings–per–share growth," she added.

At that time, the company said its sales for the 12 weeks that ended June 14 were $6.5 billion, compared with $6.1 billion for the comparable period a year earlier. Its earnings were $1 billion, or 58 cents a share, compared with $875 million, or 48 cents a share, a year earlier. PepsiCo's stock has gained 11.8% this year, compared with 16% for the Standard & Poor's 500 Index. It has gained nearly 50% over the last five years.

Chocolates and Cricket

Nooyi grew up in India with a mother who expected her to excel. "It was no fun sometimes, really awful," she recalled. "If you came home with 95 in geography, you had to study geography for the next two weeks. My mother would cry if you didn't get 100 in math.

"Every night at dinner, my mother had my sister and me debate. We had to speak about something like, 'If you were prime minister of India, what would you do if …" Nooyi's mother made up different scenarios for the girls to debate, then decided who had presented the better argument. The winner received half of a square from a Cadbury chocolate bar.

Nooyi came to the United States to attend graduate school at Yale. Early on, she realized she would have to adapt to her new country because it wasn't going to adapt to her. She noticed that people often used baseball as a subject of small talk. "I didn't understand what they were talking about. I grew up with cricket. But was I going to spend my life changing this culture's ideas about cricket? I'd be dead before that happened. I decided to join the gang. So I went to school on the N.Y. Yankees. I studied every statistic. I became an expert on everything about the [team]."

"...businesses – and business people – are constantly changing. "Like a roller coaster, it can be scary. It can be unnerving. It can sometimes leave you very queasy. But when you come out alive and well at the other end, it sometimes can be very gratifying"

After graduation, she became a management consultant with the Boston Consulting Group. From there, her career took her to Asea Brown Boveri, a Norwegian energy company with operations around the world, and Motorola, an Illinois maker of mobile phones, radios and electronic equipment. She still serves on Motorola's board and has been mentioned in the press as a possible successor to the company's CEO, who announced his resignation in September.

She was asked about that possibility during the question–and–answer session that followed her speech. Her response: "I'm extremely happy at PepsiCo, and I intend to stay there." That would seem an ironclad statement. But as she pointed out in her speech, businesses – and business people – are constantly changing. "Like a roller coaster, it can be scary. It can be unnerving. It can sometimes leave you very queasy. But when you come out alive and well at the other end, it sometimes can be very gratifying."

Japanese vocabulary

Autonomation (English translation of Jidohka)

A form of automation in which machinery automatically inspects each item after producing it, ceasing production and notifying humans if a defect is detected; Toyota expands the meaning of jidohka to include the responsibility of all workers to function similarly, i.e. to check every item produced and to make no more if a defect is detected, until the cause of the defect has been identified and corrected.

Baka–yoke

A manufacturing technique of preventing mistakes by designing the manufacturing process, equipment, and tools so that an operation literally cannot be performed incorrectly; an attempt to perform incorrectly, as well as being prevented, is usually met with a warning signal of some sort; the term "poka–yoke" is sometimes referred to as a system where only a warning is provided

Cellular Manufacturing

An approach in which manufacturing work centers [cells] have the total capabilities needed to produce an item or group of similar items; contrasts to setting up work centers on the basis of similar equipment or capabilities, in which case items must move among multiple work centers before they are completed; the term group technology is sometimes used to distinguish cells that produce a relatively large family [group] of similar items.

Deming Cycle

The concept of continuously rotating wheel used by W. E. Deming to emphasize the necessity of constant interaction among research, design, production, and sales so as to arrive at an improved quality that satisfies customers

Heijunka

A production scheduling / load leveling tool, essentially to distribute kamban cards in an efficient manner.

Jishu Kanri

Self–management, or voluntary participation.

Jutsu

The art of something (i.e., 'leanjutsu: the art of lean production').

Kaikaku

A rapid and radical change process, sometimes used as a precursor to Kaizen activities

Karoshi

Death from overwork

Mokeru

The Japanese term for the industrial engineering, more properly translated as "profit–making industrial engineering"

Muda (waste)

Activities and results to be eliminated; within manufacturing,

Mura

Inconsistency

Muri

Unreasonableness

Nagara

Smooth production flow, ideally one piece at a time, characterized by synchronization [balancing] of production processes and maximum utilization of available time, including overlapping of operations where practical.

Ninjutsu

The art of invisibility (applies to management)

Poka–Yoke

A defect warning system

5S – refers to the five words seiri, seiton, seison, seiketsu, shitsuke. These words are shorthand expressions for principles of maintaining an effective, efficient workplace

Seiri – eliminating everything not required for the work being performed
Seiton – efficient placement and arrangement of equipment and material
Seison – tidiness and cleanliness
Seiketsu – ongoing, standardized, continually improving seiri, seiton, seison
Shitsuke – discipline with leadership

Sensei

One who provides information; a teacher, instructor, or rabbi.

Takt Time

Takt, is a German term for rhythm. Takt time is the allowable time to produce one product at the rate customers are demanding it. This is NOT the same as cycle time, which is the normal time to complete an operation on a product (which should be less than or equal to takt time).

Teian

A proposal, proposition, or suggestion. A teian system can be likened to a system which allows and encourages workers to actively propose process and product improvements.

Source: http://www.1000ventures.com

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

India's future is in IT services, not products

Indian software companies are better off focusing on bagging big global IT services contracts than fritter away their energies on product development

By S Krishna

The Indian IT industry has robustly started moving up the 4–P value chain from people to business process. Several big IT companies such as TCS, Infosys, Satyam and Wipro are beginning to go up further from processes to projects. But a common critic of the Indian software industry is heard saying that India doesn't have what it takes to get into the last P, i.e. products. But does it really have to? Can't it carve a niche for itself in IT services, which in itself is a multi–billion dollar business?

I believe that India's competitive advantage lies in software services and there is no need to moan about India's lack of product development capability. Companies trying to do both services and products are bound to fall between two stools.

There is no standard route to product development. The culture needed for software services and product development is different. India is still weak in research and development despite the existence of several reputed organizations for several decades. The quality of our basic research too is poor. Moreover, knowledge and research in subjects such as Computer Science by all the Indian companies and research labs don't add up to the work done even by a mid level university in the United States.

Chasing product development by Indian companies is like chasing a chimera. IT in India will essentially remain a service industry. When even UK and Japan are yet to bring a product worth its name to market, why are Indians so restless?

Chasing product development by Indian companies is like chasing a chimera. IT in India will essentially remain a service industry. When even UK and Japan are yet to bring a product worth its name to market, why are Indians so restless?

India is currently making a mark in the global software services business. But the size of contracts bagged by even big companies is still small. The future strategy of Indian software companies therefore should be to bid for global services projects of at least $ 200 million size jointly.

In the next stage of the evolution of IT services Indian companies have to target big projects otherwise we may be trampled by the big and the emerging companies. In any case Indians are culturally more adapted towards competing in services globally.

The success in BPO space should not divert attention from big opportunity in global software services business. BPO at best can be a short–term proposition. Too much focus on BPO is not warranted.

The priority at the national level therefore should be standardization of the education system. The government should consider holding a national level test, similar to GRE or GMAT to tap the large talent pool that exists throughout the country, including the small metros.

Moulding IT CEOs

The Indian Institute of Management Bangalore has trained over 150 software professionals into capable enterprise managers in the last six years since the start of a unique program called the Post Graduate Diploma in Software Enterprise Management (PGSM). The program is one of its kind in the world as it is designed for the specific needs of professionals working in the Indian software industry. This is unlike general MBAs that are clones of methods and subjects developed by Harvard or Cambridge Universities. The program is run under the aegis of the Centre for Software Management (CSM).

The CEOs of companies that have provided endowment to the CSM (referred to as partner companies) are on the advisory board of the CSM to ensure that the program is in tune with the needs of the industry. Several distinctive features of the program are designed to meet the special needs of the participants, while maintaining the credit requirements and rigor of the regular program

The profile of the participants reflects the desire of a wide cross–section of software professionals to acquire managerial knowledge. They consist of women and men with work experience ranging from two years to over fifteen years. The companies they work for include small entrepreneurial firms to some of the largest software companies in India.

We don't do any placements. Our ambition is to generate excellent managers and leaders for the Indian IT industry.

The author is Professor (Surendra Paul Chair in Systems) Information Systems & Quantitative Method Areas, Indian Institute of Management, Bangalore

"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

A nation of contradictions

In 1986, at the start of the Uruguay Round trade negotiations, India staunchly opposed bringing new issues – services, investment measures and intellectual property rights – under multilateral trade rules.

So strong was India's opposition that the attempt to launch the Uruguay Round almost failed.

A decade later, the government embraces liberalization and accepts multilateral rules for these issues.

Domestically, the debates continue. But the change of climate has been quite dramatic.

Why has it happened? What has been the result? How has India adjusted? Who gained? Who lost?

This case study looks for some answers.

India continues to be one of the biggest enigmas of the modern world – "a nation of contradictions, held together by invisible strings", as one its leaders once commented. Over the past 50 years, the Indian economy has undergone profound changes. It started off with an inward–looking strategy of promoting and protecting industries that tried to substitute for imports. It has now become much more liberalized.

http://www.itd.org/issues/india1.htm

Report Card on Service of Bhoomi Kiosks: An assessment of benefits by users of the computerized land records system in Karnataka

Albert Lobo, Suresh Balakrishnan

November 2002, Public Affairs Centre, Bangalore

The Department of Revenue, of the Government of Karnataka, has set up computerized land record kiosks (Bhoomi centres) in taluk (sub–district) offices to provide farmers with the Record of Rights, Tenancy and Cultivation (RTC). The Bhoomi project was expected to speed up delivery of RTCs, without delays, harassment or bribery.

This empirical assessment, carried out as part of the Governance Knowledge Sharing Program of The World Bank, Washington DC, highlights the benefits thataccrued to users of Bhoomi Centres. The assessment made use of the Report Card methodology using feedback from users to carry out the assessment.

http://www1.worldbank.org/publicsector/bnpp/Bhoomi.pdf

Mandals Online in Andhra Pradesh

Case study author: Subhash Bhatnagar, March 5, 2001

The state of Andhra Pradesh in India has 1,124 administrative units known as mandals. Each of the 1,124 Mandal Revenue Offices (MROs) has been computerized. These MROs are now able to deliver online statutory certificates (stating caste, place and date of birth) to individuals in a few minutes rather than 20 to 30 days as under the old system. A database of land records for every owner is being created so that certificate of ownership also can be issued across the counter.

http://www1.worldbank.org/publicsector/egov/apmandalscs.htm

Bharat Petroleum Corporation

BPCL wanted to increase individual and departmental efficiency. Its priority was to create conditions to increase employees' productivity and sense of involvement with the organization. It also aimed to improve financial discipline in its administrative processes.

BPCL developed an infrastructure for deploying and managing applications over its corporate intranet, using SQL Server 2000 as the back end. The applications are integrated with BPCL's line of business systems, to facilitate a seamless flow of data.

http://www.microsoft.com/india/casestudies/bpcl3.asp, Posted: Aug 19, 2003

Titan enhances customer service with .NET

To reiterate its focus on service and quality to its supply chain, distributor networks and retailers, Titan initiated an IT project to improve information flow between Titan offices, CFAs and retailers. Currently, the sales channel spans Titan's three manufacturing units at Hosur, Dehradun and Ooty, the corporate office at Bangalore, four regional offices and 32 CFAs across the country. The customer service organization comprises a network that distributes spares and services watches through 36 authorized parts distributors, 13 company owned service centers, 62 watch care centers and 600 authorized service centers. For both, the spares and sales functions, a countrywide CFA network forms the distribution backbone.

Titan wanted a solution to automate customer service functions to ensure better service levels to dealers and customers.

Wipro Infotech took just 3 months to completely design and implement the customer service system using Microsoft's .NET technology. Titan realized great ROI in getting the solution up and running in 3 months time using .Net technology. Customer and dealer satisfaction levels have gone up significantly.

http://www.microsoft.com/india/casestudies/titan.asp, Posted: Oct 17, 2003

Tanishq improves supply chain management with .NET technology

Tanishq is a division of Titan Industries and is one of India's top players in the branded jewelry segment. Tanishq wanted to develop a solution which would integrate existing systems to facilitate the flow of information and make life simpler for the boutique users, CFA agents and the company in managing its jewelry supply chain.

Wipro Infotech took just 3 months to completely design and implement the supply chain management system using Microsoft's .NET technology. Wipro's developers were able to leverage the .NET framework to come out with the system with far lower effort due to the high productivity levels using ASP.NET and ADO .NET.

http://www.microsoft.com/india/casestudies/tanishq.asp, Posted: Oct 17, 2003

Indev (India Information Development Network) – Delhi, India

Published July 9, 2003, by Maartje Op de Coul

Indev is an initiative of the British Council to address problems faced by development managers in accessing development information on India. Indev uses ICTs and the ItrainOnline website to enhance their training workshops.

The present study aims to find out in which way ICTs in general and ItrainOnline in particular enhance ICT capacity building for civil society organizations. ItrainOnline is a joint initiative of APC, Bellanet, INASP, IICD, IISD and OneWorld. It's an online platform that aims to provide a selection of the best and most relevant computer and Internet training resources for development and social change.

Indev in India was selected because it uses ICTs and ItrainOnline to conduct and improve their training. Indev is an initiative of the British Council to address problems faced by development managers in accessing development information on India. To help reach that goal, it offers NGOs web hosting and web development training. Indev is a membership organization with low subscription costs.

http://www.digitalopportunity.org/article/view/64867/1/

Rural Litigation and Entitlement Kendra (RLEK), Dehra Dun, India

Published October 14, 2003, By Rahul Nainwal

Centralized forest management models controlled by the state at times alienate the local communities from their traditional territories, lifestyles, cultures and livelihoods. The indigenous nomadic Van Gujjars comprise one such community, facing threat of expulsion from their traditional forest homes in the Shivaliks, subsequent to the government declaring its intentions to reserve the area as a National Park.

RLEK is an NGO working with rural communities in North India (Uttranchal). Their central philosophy is "reaching the unreached and including the excluded". RLEK has been working with the Van Gujjar community and fighting for their rights over the use of forestland. In this backdrop RLEK has equipped the Van Gujjar community with wireless sets for better communication and empowerment.

Apart from improved communication, wireless sets have been lifesaving as well, thus adding to the security of the community. It is not really used for any commercial purposes other than relaying messages on the arrival of the milk van. Wireless plays an active part in the Gujjar community's path towards security and empowerment.

http://www.digitalopportunity.org/article/view/70348/1/

Deepalaya

Published June 24, 2003, by Maartje Op de Coul,

New Media Evaluation Manager, OneWorld International

Deepalaya is an Indian NGO whose mission is to promote the overall development of unprivileged communities, with a particular focus on education. Deepalaya. They offer computer classes to their students, starting at the age of 10 (6th grade) in Delhi. Computer training is also included in their vocational programmed.

Deepalaya started its education for slum children in 1979 with only 5 students and 2 teachers. Now they have established 337 educational centres and 7 formal schools, one of which I visited. It's located in Kalkaji Extension in the South of Delhi and has been in existence for three years now. It hosts 561 students, 270 boys and 291 girls.

Deepalaya offers education from Kindergarten to 12th grade, but it's not officially recognized, because the pay scale for the teachers doesn't meet with the requirements. The total income of Deepalaya in the year 2001–2002 was Rs 37,627,923 (almost USD 800,000), 65% of which came from foreign donors.

http://www.digitalopportunity.org/article/view/64866/1/

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

The Success of 7–Eleven Japan

Discovering the Secrets of the World's Best–Run Convenience Chain Stores by Akira Ishikawa (Aoyama Gakuin University, Japan) & Tai Nejo

When analyzing 7–Eleven Japan's advanced and innovative management style, the authors of this book highlight the existence of the "integrated information system". This is because of the key role it plays not only in forming this firm's corporate strategy but also in developing its functional strategies for logistic support, merchandising and store operations. The authors explore the integrated information system, a symbol of the competitiveness of 7–Eleven Japan.

http://www.wspc.com/books/eastasianstudies/4981.html

Essays in Technology Management and Policy

Selected Papers of David J Teece by David J Teece (University of California, Berkeley)

Oct 2003, Hard coverUS$90 / £60, Paperback US$45 / £30

This book examines the manner in which successful firms develop, transfer, protect, and capture value from technological innovation. In essence, it is about "knowledge management", which lies at the foundation of firm level competitive advantage in today's global economy. The essays contain some of the fundamental contributions to the field of knowledge management by one of its best–known thinkers; they also constitute an immensely practical guide for those managers who wish to look below the surface of what is going on in Silicon Valley and elsewhere.

Topics covered include: Capturing Value from Technological Innovation; Sustaining Value Creation and Capture; Licensing, Technology Transfer, and the Market for Know–How; Technological Change and Competition Policy; Technological Innovation and the Theory of the Firm.

http://www.wspc.com/books/business/

Solution–Focused Coaching:
Managing People in A Complex World

Jane Greene, Anthony Grant

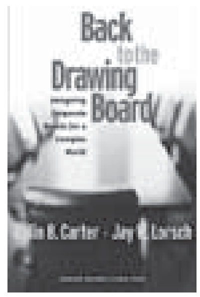
Paperback Aug 2003, 208 pages, £16.99, Pearson–books.com

The book examines the challenges that the furious pace of change in today's world has brought and provides every manager with strategies to facilitate a successful, dynamic, creative, effective workforce. Backed by sound, up–to–the minute psychological theory this book is also highly practical and is packed with validated tools and techniques for enhancing life experience and work performance.

Back to the Drawing Board: Designing Corporate Boards for a Complex World

Colin B. Carter , Jay W. Lorsch, Oct 16, 2003, Published by HBS Press Book

Business scandals from Enron to WorldCom have escalated concerns about corporate governance into a full–blown crisis.



Institutional investors and legislators have dominated the debate and enacted important changes in corporate accounting and other areas. But Colin B. Carter and Jay W. Lorsch say that we must now focus on the performance of corporate boards.

This timely book argues that boards are being pressed to perform unrealistic duties given their traditional structure, processes, and membership. Carter and Lorsch propose a strategic redesign of boards—making them better attuned to their oversight, decision–making, and advisory roles—to enable directors to meet 21st century challenges successfully.

Based on the authors' deep expertise and longtime experience working with boards around the world, and on a probing survey of CEOs, Carter and Lorsch help boards to develop a realistic value proposition customized to the company they serve. The authors explore the core dilemmas and responsibilities boards face and outline a framework for designing the most effective structure, makeup, size, and culture. This book provides a candid account of the current state of boards and points the way in a time of crisis and change.

The Doha Development Agenda: A Global View

by T K Bhaumick

Penguin India, 512 pages, Rs 895, 9/15/2003

The fourth WTO Ministerial in Doha (Qatar) had an ambitious negotiating mandate in a Work Programmed that was launched on 14 September 2001, to be completed by 2005. However, ever since its launch, the Doha Development Agenda, as the Work Programmed has come to be called, has been facing rough weather.

Missed deadlines have been the main stumbling blocks in the way of negotiations and threaten to undermine the credibility of multilateral trade dialogues.

The member countries of WTO have before them an unprecedented challenge. At test is their commitment to the cause of promoting fair trade; the commitments on the part of major trading nations, especially, will have to pass this crucial test if the Doha Round of negotiations is to succeed.

The current state of negotiations, however, does not evoke much confidence about the Agenda meeting the deadline of 2005, when all the agreements must be complete and formalized as a single package.

Decoupling needed to launch into higher trajectory

Summary of India in the Global Software Industry: Innovation, Firm Strategies and Development

At the dawn of the twenty–first century India's traditional image as an impoverished nation is undergoing considerable change. While India continues to suffer from rampant poverty, persistent inequalities, and internal political uncertainties, there has been a quiet revolution underway in India's high technology industry. India, known for its tea, jewellery, and garment exports, has now become a significant exporter of software. Consequently, the industry, the government, and scholars are betting on the continued expansion of the sector. Considerable hope has been pinned on the sector's ability to address India's chronic developmental problems of low growth, unemployment, balance of payments deficits, and technological backwardness.

In this volume the authors take a deeper look at India's software industry. Rather than assume that the rapid growth of software exports is a sure sign of the sector's strength or that exports will necessarily solve India's development problems, the Indian software industry is examined critically. This was prompted by three observable features of the Indian software industry: first, for all the hype of rapid sectoral expansion, the Indian industry has occupied a marginal position in the world market; second, notwithstanding high growth rates, India's exports have been largely low–value output; and third, the size of the domestic market is less than a third of India's export market.

These characteristics demand a closer look at the industry so as to identify the sources of growth, the particular barriers facing the industry, and the possible strategic and policy responses that could raise the Indian industry to a higher trajectory. To accomplish this the industry must sustain its high growth rate for the foreseeable future and relatedly it must move up the value–chain to obtain such high growth. Consequently, much of the optimism regarding the sector's transformative capability on the Indian economy hinges on the industry's ability to innovate and cope with new competitors in a rapidly changing global information and communications technology environment.

The Indian industry faces considerable structural barriers to innovation because of its overt dependence on exports of software services to the US. Relatedly, the industry's growth is constrained by India's very small domestic market, limiting the diffusion of information and communications technologies (ICT) and information technology (IT) services. If this interpretation is correct, then the Indian industry must pursue a coherent set of strategies to break out of low–value software and diversify export markets. There are also public policy issues, which the Indian state must execute to facilitate the industry's transition from a low–end trajectory to a high–end one.

This collaborative project assesses the preparedness of the Indian industry to meet the global challenges. It discusses how India fits into the international division of labor, the industry's trajectory, and how the industry and the government might harness the potential economic benefits of a dynamic Indian software industry. The project as a whole draws on the experiences of a number of firms and explicitly addresses the state of the Indian industry, its strengths and weaknesses, firm strategies, and the opportunities offered by the world economy. Each contributor identifies some of the challenges facing the industry, the strategic responses of firms to overcome barriers to innovation, and offers policy options for the government to make sustained growth a reality.

The Indian industry is shown to be neither large by global standards nor particularly innovative. India's specialization thus far in a few niche markets, while consistent with contemporary economic globalization, is not consonant with the tremendous opportunities the global information and communications technology (ICT) goods and services markets offer.

The book delineates some of the global structural barriers, which prevent most developing countries from actively participating in the world economy. This exclusionary tendency is extended to the Indian software industry by bringing out three forms of decoupling of the industry, which arguably place it on a low–end trajectory. These are a) decoupling of the software industry from the larger hardware sector; b) the disconnect of the industry from the domestic market; and c) the specialized division of software into services and products.

Consequently, the Indian industry is shown to be neither large by global standards nor particularly innovative. India's specialization thus far in a few niche markets, while consistent with contemporary economic globalization, is not consonant with the tremendous opportunities the global information and communications technology (ICT) goods and services markets offer. The book explores how the main challenges facing the Indian sector, namely the three kinds of decoupling, could be addressed. Anticipating competition from China and others, the book refers to comparative data whenever possible. The individual essays in the volume also take up strategic implications for the industry as a whole in greater detail.

A summary of India in the Global Software Industry: Innovation, Firm Strategies and Development Edited by Anthony P. D'Costa, University of Washington, Tacoma and E. Sridharan, University of Pennsylvania's Institute for Advanced Study of India, New Delhi (London: Palgrave Macmillan). The Indian paperback edition is scheduled for launch shortly

Enterprise Solutions - same questions different answers

Prof. P. Rajendarn

The three C's of crisis Customer, Competition, Change as stated by Michael Hammer is redefining business in the new millennium. Customer expectations is on the up, Competition has intensified and Change has become the only constant. Business is not easy anymore. The time is past for frivolous notions and flights of fancy. Business today is serious stuff; business today is execution.

Today's mangers need a formula for success, in-fact for survival. Subject matter for most mangers today is how to manage, organize and plan efficient operations. Nothing new about it, isn't it?

Prof. Edison once conducted an exam for some of his students. He handed over the question paper to his secretary, who after some time came running to the Professor and asked in anxiety, "But Professor, aren't these the same questions you gave last year?" The Professor replied, "The questions are the same, but the answers have changed." The truth is business has not changed; the way we go about business has undoubtedly changed.

The advent of networking and the end-user computing power has dramatically changed business execution. The Internet has made business cycle of the past look naïve in the new era.

The critical success factors for most companies today is to dramatically reduce cycle time, increase overall effectiveness, improve Customer relationship, improve response and resilience etc., and beat competition to stay bouyant in the market. To achieve this, companies are not looking at mere automation of their processes but at aggressive use of sophisticated IT solutions.

These IT solutions should be inter-twined strongly to meet the organization objective through supporting process. Most often these processes extend beyond the enterprise adding difficulty to the whole agenda in enabling smoother business execution. These solutions should be seamless, real-time, connected, transparent and intelligent, creating business alliance along the value chain.

These organizations have flexibility and scalability in the process, are flatter and networked in structure, centralized and de-centralized decision making, single point-of-contact, empowered users, parallel processes etc., and most importantly are Customer-centric in perspective. Welcome to the Extended Enterprise where integration is horizontal and not vertical !

Organizations in the 21 Century are reengineering to form the integrated extended enterprise and to form the network information-based organization.

The agenda of these network information-based organizations are:

- Eliminate layers of management
- Ensure cross-functional & inter-organizational use of information.
- Replace need to-to-know with need-to-enrich.
- Focus on result ,not on activities
- Simultaneous independence and interdependence of business units
- Provide multiple concurrent modes of operation
- Business processes that are horizontal and parallel and not vertical and sequential.
- Organizational change without permanent physical structural change to the organization.
- Both uniformity and flexibility in operations, and
- Complete communication, independent of geography and time.

This needs the support of IT solutions that can:

● Support changes in the structure ● Support changes in the process ● Support shortening of time to respond ● Support on customer-focus ● Enhance empowerment of employees ● Provide seamless integration ● Provide information

These IT solutions are expensive, complex and need tall resources; require proper methodology, focused implementation and most importantly objectives and expectations that are focused and unambiguous. These solutions in short are no magic wand to sprinkle wonders to the organization.

These solutions for selection and implementation call for four main activities

1. Migration of the management mindset (Change management)
2. Setting up seamless integration between organization objectives, business processes and the supporting solution.
3. Selection of the enterprise solution and
4. Freezing of contractual and implementation issues.

In conclusion, one should focus on critical factors for the success of such implementation. They include:

● Understanding corporate culture ● Completion of business process changes ● Clear definition of Project scope ● Transparent Communication ● Project management ● Choosing balance team ● Ideal implementation methodology ● Proper training and importantly ● Commitment to change

They say IT solutions are beneficial in the hands of someone who knows what to do with them; they are dangerous in the hands of someone who doesn't know what to do with them; in-fact, they are disastrous in the hands of the latter.

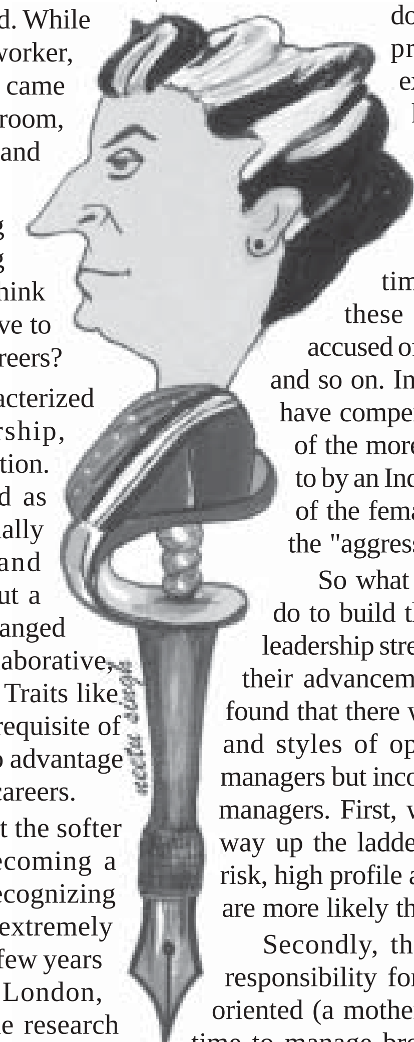
The author is Head - Information Technology with Institute for Technology and Management, Bangalore and Consultant in Enterprise solutions.

Leverage feminine skills to move up the ladder

Multitasking and handling pressure come naturally to women managers. They should use their inherent skills to their advantage

By Melissa Arulappan

At a recent Executive Committee meeting of a large UK services organization, members were asked to exchange notes on the perceived strengths and weaknesses of each other. Among the members were a woman – a senior finance professional and a member of the company's board. While traits like consensus builder, aggressive, team worker, etc, were being bandied about the room, when it came to expressing an opinion on the one woman in the room, the feedback was that she was "90% professional and 10% woman!"



Why is it that in today's world being professional and feminine is still seen as being mutually exclusive? Do we suffer from the "Think Manager, Think Male" syndrome? Do women have to change their managerial styles to progress their careers?

In traditional organizational structures, characterized by a hierarchical, military style of leadership, management was stereotyped as a male occupation. The successful manager was typically defined as "aggressive, competitive, firm and just", traditionally masculine traits. The growth of service and knowledge industries has however brought about a paradigm shift in organizational culture and changed the definition of good leadership. A more collaborative, team–oriented leadership has become the norm. Traits like team builder, warmth, cooperative, caring are a requisite of this leadership style, skills that women possess to advantage and could develop effectively to progress their careers.

World over, there is growing recognition that the softer more feminine attributes are increasingly becoming a mantra for business success. Corporates are recognizing that women, at senior levels particularly, are extremely effective as managers. In a research conducted a few years ago by Management Today, a published in London, women emerged as the new role model and the research concluded that if men wanted to be more successful at work, they must behave more like women! Probably an extreme view point, but needless to say that a successful leadership style today includes one which is closely linked to traditional feminine skills, and that women (and their managers) need to recognize this and work on these skills to develop them into an area of strength. One must also add that a successful leader is one who can use a blend of both masculine and feminine leadership styles.

In India, HR managers have iterated the strengths that senior women managers posses in terms of being better at building and leading a diverse workforce, better tolerance levels, more creative as well as higher energy levels and being more passionate about work. One distinct strength that most concede women have, is the ability to multitask, which has its roots in our social fabric – "she buys vegetables at the door while her milk is put to boil; and it's something she is so used to doing". As well as the ability to handle pressures which again stems from experience of having to manage common household pressures of no electricity or the maid not turning up to work.

The reality however is that there are women particularly at the lower and middle management levels who are at times disadvantaged against because of these skills. All too often, they have been accused of being too soft, too involved, too trusting and so on. In an effort to counter this, some women have compensated by shedding these traits in favor of the more masculine ones – phenomena referred to by an Indian woman CEO as the 'masculinisation' of the female manager. Haven't we often heard of the "aggressive woman manager"?

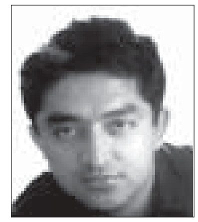
So what do women and their managers need to do to build these traditionally feminine skills into a leadership strength rather than have them work against their advancement? A consulting group in California found that there were three categories of behavior habits and styles of operating that were adaptive for mid–managers but inconsistent with the requirements of senior managers. First, women are trained to avoid risk on the way up the ladder and are therefore not given the high risk, high profile assignments necessary for growth. They are more likely than men to reflect than to act.

Secondly, their concern for others and sense of responsibility for the team can make them too detail–oriented (a mother duck mode) which leaves them little time to manage broader challenges. And finally, women who typically need to be tough and righteous about their agendas in mid–level positions find these characteristics difficult to grow out of when they grow into senior management positions. They become insecure and defensive about their ideas or agendas.

It's time therefore that women, particularly at the lower and middle management levels, leverage their inherent strengths into a leadership style that is consistent with today's leadership style because it doesn't have to be just a men's club anymore.

The author is Vice President, Corporate Voice|Weber Shandwick, Bangalore

Break the rules! Rewrite them with Gusto!



Adasia2003 has raised the expectation levels sky high. Will it fit the billing?

by Harish Bijoor

The Pink City is due to blush a deeper shade of Pink this November. Come November 10th, the whole world of advertising and marketing congregates in Jaipur. Ad Asia 2003 kicks off to a glorious start, entering the Indian space once again after many years! A tribute in many ways to Indian advertising and marketing. The world will look at Jaipur as the doyens of A&M sit together and hopefully stick to the tone, tenor and theme 'Breaking Rules. Rewriting Them'!

As a galaxy of names representing the A to Zee of the world of the peddlers of commerce come together, there is indeed a big need to break many a rule and re-write many a new one in place. Marketing has dramatically changed. The consumer has changed. Morphed beyond recognition ! The consumer mind and mood is forever on the morph mode. The consumer today is getting exposed to a world that is different in its motivations. Different in its mood and different in its social allure.

Hence the new age consumer is more demanding, finicky and critical in his brand appraisal process. Old marketing and its ways will not do anymore. In many ways, many a name that will represent itself at Jaipur is an old theory that works no more. There will be a lot of embarrassed blushing to be done for sure! The colour is Pink!

Imagine a party where David Aaker, the Guru of modern day branding as we know it today, presents himself. Mr.Aaker needs to sit down and do a lot of re-writing of the rules he laid down many years ago for the brands that would dot the markets of the world in the future. Brand Loyalty, as a concept he delineated so carefully in his many treatises on the subject, no longer exists in the absolute form anymore.

Today's society is different. Loyalty is an old social more. Loyalty is an anti-gravity force, held up by the artificial crutches of institutions such as old-rigid society, religion and social systems. Imagine how difficult it is then to stay wedded to a brand that has been touted with advertising allure. An inanimate dead-object of a brand! A simple tea and a complicated computer even! Brand Loyalty is dead. The rules need re-writing, Mr.Aaker!

If an Al Ries and a Jack Trout are in attendance, there is plenty of re-writing of the rules to be done as well! Positioning, as we knew it, is a concept that is altogether different as we delve deep into the knowledge base that is establishing itself as a science with the progressive understanding of the human mind. There is a lot that is understood and a lot that has been misunderstood in the past. We are still not there! The human genome is yet to be cracked. The human mind is yet to be understood. As this is still work-in-progress, time to sit up, take note and re-write some of those notions we have worked with to some degree of efficiency thus far! Positioning is a different ball game altogether today. The brand is a dynamic entity in the mind of the consumer. Defining it as a static single-point that rests on the theory of Positioning, as we understood it twenty years ago, is a point of worry. Brand Dynamic Value is the new science at hand! A lot of 'Breaking of the Rules' at hand for sure!

A Ricardo Semler is attending Jaipur, post the Internet bubble that burst in all our faces many years ago. It is but a point of travesty that the Indian was the prime mover in this movement that cascaded values that were imaginary and virtual in many ways. The common joke with the Bay Area worker in those heady days was that you needed an Indian name to survive in the Bay. A name such as Christopher Bean was a no-no! A Ramanuja Iyer was a wonderful one to have if you were to make a dent in Tech-space!

Mr.Semler comes to India after a whole generation of names made the Internet workplace a fun place to be. Casual attire, non-hierarchical cubicles, play areas to use the office, dust-bin as a basket for a game of ball, and a whole host of fun ideas that morphed the Internet workplace a fun place to be is done with as of today. Those that have survived the dot-com bust and the Tech meltdown of sorts are today the ones to be in right-reverse gear, underplaying the fun workplace concept. Hierarchies are respected. Grey hair is welcome and the business suit is not passé anymore with these guys.

What Semco achieved in the old days is possibly not a lesson one would want to follow today. A lot of re-writing for sure! A lot of Breaking of the rules for sure!

I believe Ad Asia 2003 will work best if we do not gloat on the thoughts that have been presented by the doyens of advertising and Marketing over all these years! Time to sit up and say that things have changed. Changing times need changing rules. These are minds that are the brightest minds in advertising, marketing and business theory. Let Ad Asia 2003 not be a Vintage car rally of sorts. Let it instead be an engineering workshop that will devise the new Ferrari for the new age of business ahead of us! An all-new mousetrap for the years of the 2000 series ahead of us!

The author is a brand–domain specialist and CEO, Harish Bijoor Consults Inc. with a presence in Hong Kong, London and Bangalore. e–mail: harishbijoor@hotmail.com

Harvard lies

There are three lies associated with the imposing statue of the 'founder' of the prestigious Harvard University. The plaque reads the name of the founder as John Harvard in the year 1638. The truth is that John Harvard is not the founder of the university and it was not started in the year 1638.

Harvard was actually set up by the Massachusetts Bay Colony in 1636, two years earlier than the date mentioned on the statue. When the authorities of the colony needed funds to expand they approached John Harvard who agreed to be a benefactor provided the university carried his name.

What is even more interesting is that the statue does not resemble John Harvard. It seems that the university thought of installing a statue of the man in whose name the university is known, 250 years after it was started. The university commissioned a well–known sculptor, Daniel French. French had several problems to solve in the making Harvard's statue.

First was that there were no photographs or portraits of John Harvard. The only information known about John Harvard was that he was reverent and a lover of learning. That gave the sculptor wide latitude. French reasoned that if nobody knew what the original 'founder' looked like, it did not matter anyway. He chose one of the better–looking students from the then freshman class and had him model for statue. The statue, finally cast and unveiled in 1884 is actually that of Sherman Hoar, a freshman student dressed in typical 17th century garb.

If you meet someone from Harvard, make sure he is for real.

Life before the computer

An application was for employment. A program was a TV show. A cursor used profanity. A keyboard was a piano! Memory was something that you lost with age. A CD was a bank account. And if you had a 3 1/2 inch floppy you hoped nobody found out! Compress was something you did to garbage not something you did to a file. And if you unzipped anything in public you'd be in jail for a while! Log on was adding wood to a fire. Hard drive was a long trip on the road. A mouse pad was where a mouse lived and a backup happened to your commode! Cut – you did with a pocketknife. Paste you did with glue. A web was a spider's home and a virus was the flu!

I guess I'll stick to my pad and paper and the memory in my head. I hear nobody's been killed in a computer crash but when it happens they wish they were dead!

Talking dog

A salesman dropped in to see a business customer. Not a soul was in the office except a big dog emptying wastebaskets.

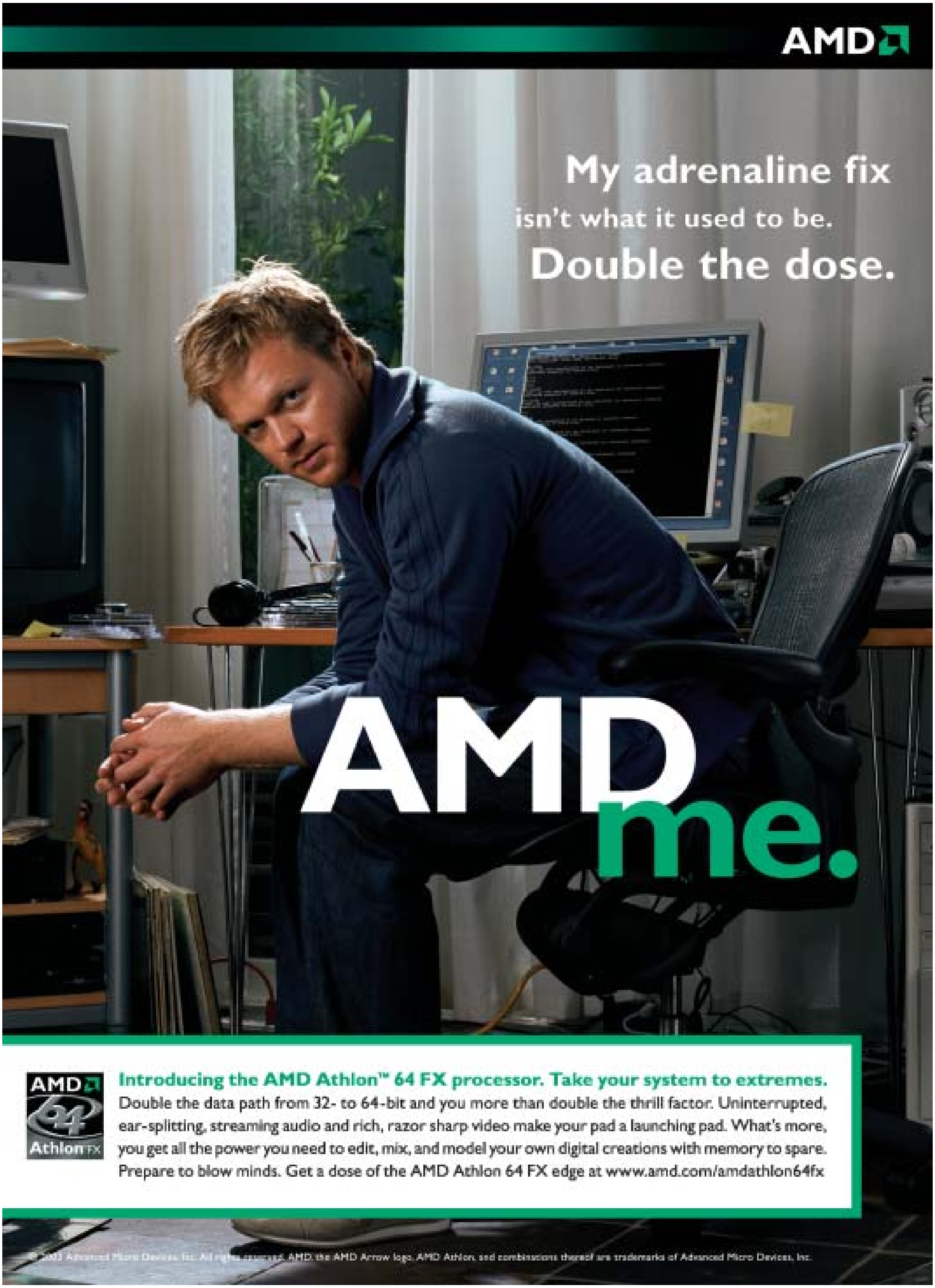
The salesman stared at the animal, wondering if his imagination could be playing tricks on him.

The dog looked up and said, "Don't be surprised. This is just part of my job."

"Incredible!" exclaimed the man. "I can't believe it! Does your boss know what a prize he has in you? An animal that can talk!"

"No, no," pleaded the dog. "Please don't tell him! If that man finds out I can talk, he'll make me answer the phone as well!"

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



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Introducing the AMD Athlon™ 64 FX processor. Take your system to extremes.
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