Management Next

HR is dead. Long live HR

The human resources profession may be heading downhill but with most of the mundane jobs now being outsourced, it has an opportunity to reinvent itself and become a strategic partner in an organization

By Benedict Paramanand

In the 1960s, when scarcity was the order of the day, a majority of the Indian CEOs were from the production department. In the 1970s, when the cost factor came to the fore, the CEO mobility scale tilted in favor of the finance department. The 80s and the 90s were dominated by the sales guys when supply started to outstrip demand. Now, in the early years of the new millennium, a new breed of managers, who pompously call themselves as brand czars, brand specialists or brand custodians, are climbing the pecking order faster. Will the next turn be that of the HR?

neetu singh

If an HR manager were to read the findings of an exhaustive study of 438 companies in the last five decades by Harish Bijoor, Bangalore-based brand domain specialist, he'll stop indulging in wishful thinking.

The study is like rubbing salt into the wound. HR managers' insecurity is evident as the number of their functions getting outsourced is going up by the day. What's worse, line managers are getting better in people management and are having a greater say in promotions and increments, which has been the HR department's preserve all these years. Line managers are also getting better at managing teams and facilitating training. The threat to HR is therefore coming both from the outside as well as within the organization.

Is it therefore the apt time to write HR's epitaph? Some would concur without batting an eyelid. While a strong evangelical section, especially those belonging to HR India and National Institute of Personnel Management (NIPM), sees resurgence of HR a large number prefers to see how the trend plays out.

The business environment HR professionals find themselves in today is very different from what it was even three years ago. The fundamental change they are beginning to recognize is that businesses now are less product driven and are driven more by the market forces.

Surprisingly, the hunt for the best talent has given HR managers a facelift. Organizations have realized that the first point of contact for an aspiring recruit is the HR manager. A lot of investment is therefore going into molding them in effective communication and interviewing skills.

One thing is clear. If HR is to contribute effectively to an organization's growth, it has to transform itself from being a function to that of a strategic partner. The transition is going to be arduous.

What does it take for this transition to be quicker and less painful? The fact remains that the HR profession itself has a long way to go in developing the skills, competencies and the focus necessary to become internal business consultants. Until that happens, the slow decline of HR jobs and stature is likely to continue.

There is now a common belief that an HR professional has to be an all rounder if he intends to move up the corporate ladder. He should be ready to morph into other functions when needed.

The good news is that outsourcing is finally giving higher-level HR professionals the time they need to tackle strategic workforce challenges. Even better, the demand for such strategists is higher than ever.

Some nifty HR professionals are already reinventing themselves from being paper pushers to having a role in the strategic domain of their companies. The new-age HR animal is multi-skilled - knows at what cost a product or a service is delivered and what return his company is getting from an investment in a marketing campaign.

Organizations therefore have a larger task at hand - how to make HR practice contribute to shareholder value. A 2002 research paper by Watson Wyatt's Work USA has indicated that companies with effective HR practices deliver shareholder returns that are three times higher than those of companies without such practices.

CEOs now have no choice but to mould HR to fit into their competency model. Having shed drudgery from HR, CEOs can now turn to HR for effective people management skills especially in industries such as IT and biotech.

Managers to leaders

HR professionals may be needed more now than ever before. For this to happen they have to acquire leadership skills along with managing capability. They have to become the linchpin by working closely with line managers and leading them towards achieving corporate goals. HR professionals could soon be managing culture, facilitating fast change, involving in strategic decision-making and creating market-driven connectivity.

Also, HR leaders will be required to have a keen understanding of how the firm creates wealth, how the firm is horizontally integrated (e.g., how sales and marketing relate to manufacturing), and what the industry challenges are.

Given the new skill sets being acquired by HR professionals, can they now aspire to become CEOs? That's a rhetorical question.●

Will earnings guidance retard companies' future?

The sharp drop in Infosys Technologies' scrip following its last quarter earnings guidance was perhaps the first wild response in India's capital market history. Although a few software companies have started to follow the American trend of giving out quarterly earnings guidance, it is still low key in India. The fear is that if the bug catches on, Indian companies too would become short-term focused, affecting their medium to long-term growth potential.

Clearly, the divide between companies that are increasingly voicing their concerns on the adverse impact of quarterly earnings guidance on their long-term strategy and analyst firms that would be hard put without such projections is getting wider.

Coca-Cola and AT&T are two large global corporations that recently announced that they were stopping quarterly earnings guidance. Coke's camp, lead by Warren Buffet, is growing by the day as companies are feeling the heat of investor greed quarter after quarter.

Even as the investor associations, analysts and companies battle the issue out, management thinkers too are divided on the subject. The intensely short-term nature of the markets is causing concerns due to their over-powering influence on managements' decision-making. Invariably, the time needed for research, new product development, people skill development and even things like testing marketing strategies need time and the pressure of numbers could threaten their quality of output. What's more, innovation and its testing, which is the key differentiator between companies will suffer. Large companies have managed to minimize this impact by acquiring smart companies, but there are not too many out there.

When it gets too hot, managements have been using guidance to sway investors. In bull markets, some companies have given optimistic forecasts when the market wants momentum stocks with fast-growing EPS. In bear markets, companies have tried to lower expectations so that they can "beat the number" during earnings season. It is one of the analyst's jobs to evaluate management expectations and determine if these expectations are too optimistic or too low, which may be an attempt at setting an easier target. Unfortunately, this is something that many analysts fail to do.

To the opposite camp, earnings guidance keeps managers on their toes and this will result in efficiency of use of assets. It also encourages greater transparency than in companies that can hide behind bad news.

Companies being organic bodies, run by people, have their ups and downs and mistakes are part of the growth process. If the analysts and the market scrutinize every decision in a company, managers would be less inclined to take bold decisions.

There are no clear answers, nor a mid way to this debate. Companies that are transparent and communicate regularly with all their stakeholders can do away with quarterly earnings ratings. Long-term shareholders are better off if they leave the companies alone and focus on value than short-term earning.

However, eliminating guidance will not change the market's fixation on the short term because the market's incentive policies cannot be dictated. Coke could stop talking to everybody but there would still be a score of quarterly estimates on first call because that is what institutional investors want.

Why hard-nosed executives should care about management theory

Theory often gets a bum rap among managers because it's associated with the word "theoretical," which connotes "impractical." According to authors Clayton M. Christensen, Michael E. Raynor in *Why Hard-Nosed Executives Should Care About Management Theory* (HBR OnPoint Enhanced Edition published September 2003), because experience is solely about the past, solid theories are the only way managers can plan future actions with any degree of confidence. The key word here is "solid." Gravity is a solid theory. As such, it lets us predict that if we step off a cliff we will fall, without actually having to do so. But business literature is replete with theories that don't seem to work in practice or actually contradict each other. How can a manager tell a good business theory from a bad one? The first step is to understand how good theories are built. They develop in stages: gathering data, organizing it into categories, highlighting significant differences, then making generalizations explaining what causes what, under which circumstances.

For instance, Professor Ananth Raman and his colleagues collected data showing that bar code-scanning systems generated notoriously inaccurate inventory records. These observations led them to classify the types of errors the scanning systems produced and the types of shops in which those errors most often occurred. Recently, some of Raman's doctoral students worked as clerks to see exactly what kinds of behavior cause the errors. From this foundation, a solid theory predicting under which circumstances bar code systems work and don't work is beginning to emerge. Once we forgo one-size-fits-all explanations and insist that a theory describes the circumstances under which it does and doesn't work, we can bring predictable success to the world of management.

Nurture Meritocracy: Narayana Murthy

If India is to become a developed nation by 2020 it has to embrace meritocracy in all organizations. "Mediocrity has no place in a successful organization and this will also help in retaining the best people. Meritocracy creates a hierarchy based on performance and value addition, and not based on seniority," Mr. Narayana Murthy, Chairman and Chief Mentor, Infosys Technologies Ltd, said in his keynote address at the two-day Leadership Summit, organized by the Confederation of Indian Industry in Delhi in September 2003.

"The worst thing to do is to make an incompetent person believe that he or she is competent. The message should go to the person about the reality, though in private, so that he or she doesn't lose face in public," says Murthy. "Communication with the person is very important," he adds.

Mr. Murthy said that it is imperative to foster excellence in an organization. Unless Indian industry can do extraordinarily well in all dimensions - productivity, efficiency, scale, cost and speed, India cannot dream of succeeding in the global marketplace.

Mr Murthy also said that due to reforms and global business opportunities, there had been a spurt in entrepreneurial activity. He said that there is a tremendous opportunity for growth as globalisation and falling trade barriers offer Indian industry access to more and larger markets around the world.

Murthy touched a raw nerve when he suggested that CEOs should start taking variable salaries depending on the performance of the company. He wanted business leaders to demonstrate their commitment by sacrificing more and adopting similar measures in what they expect from their employees in times of crisis including cost cutting.

"Fairness, transparency and accountability should decide this with a variable component to alter it according to the fortunes of the company. This is an issue that has to be decided by the board and shareholders. As long as you make part of the salary variable so that when the company does well, the CEO also gets a good salary and when the company does not do well, the CEO does not get good salary, there is no problem," Murthy said.

The Innovator's advantage

Companies that are more innovative are much more successful in their use of technology, according to a just-concluded major global study by Accenture Policy & Corporate Affairs. Underpinning the companies' success are radically different attitudes toward a number of management issues, especially those that involve information technology.

"The Innovator's Advantage: Using Innovation and Technology to Improve Business Performance" draws on interviews with 581 senior executives across industries in 18 countries, as well as Accenture's experience in helping companies to deliver innovation.

The study demonstrates how innovative companies have shown themselves to be genuinely open-minded and unafraid of new ideas; ready even to change their most fundamental strategies if that is needed. The study found that the approach of innovators is essentially collaborative, seeking to work with others inside and outside the business.

They make better use of information technology (IT) - not necessarily spending more, but understanding what it can do for them, and taking advantage of its capabilities.

Accenture's experience has been that innovative businesses perform better than their competitors. The "more innovative" companies identified in our survey report more than twice as much success in using IT to address their key business priorities.

They are also more likely to have translated their key priorities into significant changes for their business. Case studies drawn from experience at Avaya, Telenor, and BP, among others, demonstrate these points.

The study's results:

- Sixty-four percent of systems installed by innovators had been successful in meeting their objectives versus 28 percent of systems installed by less innovative companies.

- Seventy-seven percent of innovators "widely consider IT" when developing new business strategies (versus just over 40 percent of non-innovators).

- More than twice as many innovators see IT as a source of competitive advantage than non-innovators (63 percent versus 27 percent).

- Innovators are significantly more likely to have installed customer relationship management, sales, supply chain management, business intelligence and manufacturing or design systems in the last two years.

Elephant & the flea - new paradigms

Until recently people could depend on pensions to see off their old age. But with large organizations and even the governments not able to afford pensions, people are forced to become fleas, renowned social philosopher Charles Handy's metaphor for self-employed professionals.

Charles Handy had prophesized two decades ago that smart and independent minded people would prefer to work not within the large organizations, which he called elephants, but would be making significant contribution from outside.

After seeing his prophesy of downsizing of large organizations and the emergence of small firms come true, Handy is now looking at newer ways the two can collaborate. Handy told *The Economic Times* recently that elephants will continue to deliver the goods but innovation will come from the fleas. What the elephants must find now are newer ways to connect the fleas with them. The real challenge is how the elephants capture those fleas and use their ideas and change those ideas into great big steam of products.

The contractual worker phenomenon, which Handy spoke about, is now sweeping India. The surge in IT related services that India now offers the world would continue only if India is able to retain its cost edge and enhances efficiency continuously. If India slips on these fronts, work will move out to places like Philippines, Indonesia and South Africa.

For organizations to become creative, they have to adopt federal systems where the local operations have a lot of freedom. "If you control things too tight then nobody can make mistakes and if nobody can make mistakes then you are never going to create anything. You have to trust people to use their freedom well so selection of people in what I call globules or the organizations must be right. However, just like federal political systems function, the headquarters have to keep tight control on a few things and leave the rest to the outposts."

Handy finds in the village a metaphor and a model for human organization that is all the more striking for its simplicity and cohesiveness. He suggests that the current form of shareholder-dominated corporate capitalism, with all its complexity and conflict, is not sustainable, and will give way to a simpler and more flexible form of private enterprise. This new form would promote greater collaboration and understanding among multiple constituents who share in the benefits and challenges of being part of one company, but who have distinct roles and different stakes and expectations, and are rewarded differently, depending on their purposes and contributions.

Don't mix ideas and evaluation

At the heart of creativity is the notion that the more ideas you have the better. When ideas are initially thrown out on the table, however, they are often discounted as being unworkable or unreasonable, says Harry Vardis, founder of the Atlanta, US-based consulting firm Creative Focus, Inc in BusinessWeek's Small Business newsletter (July 2003)

"When I worked for a large advertising agency, for example, a friend suggested that I teach the techniques I practiced. Instinctively, I said that wasn't a good idea because my time was better spent with clients. The suggestion might not have been right for me at the time, but the idea itself was good, and my resistance was insisting on judging it before I had a chance to let it germinate in my mind. (What I am doing now, in fact, is the very teaching my friend suggested years ago.) The moral for the entrepreneur: Set aside a time to generate ideas, and a completely different time to evaluate each one. Don't mix the two, or you may be killing the babies before you know what they might grow up to be," he says.

On the merit of evaluation he says that a manager must be like the photographer who takes 1,000 shots for that one ideal image for the book jacket or advertisement. "Compile a broad array of ideas, the more you have the better your chances for finding just the right one for your company."

However, numbers aren't the whole story. Creativity, he says, also involves a practice called "forced association." When evaluating ideas, a simple technique is to listen to all of them, clear your mind, and then open a dictionary and pick a random word. "Think about how that word or its attributes relate to your company's issue, and, just as banana to bathtub, you will find yourself with a new perspective. Be assured that you needn't confine yourself to a dictionary; anything unrelated to the issue at hand, such as an article in a magazine, could produce the same result."

These days, top business schools are teaching the liberal arts, as well as painting, poetry, and improvisation, so that students can better express themselves and experience the differing perspectives that lead to creative thinking. Entrepreneurs would do well to do the same.

Marketing cannot escape ROI mindset

The marketing process is not "guesswork" or "gut reaction," nor is it purely a creative or artistic pursuit. Rather, it can and must be quantified and optimized in ways that most companies have yet to do. The ultimate goal should be to embed a return on investment mindset, system and process into the overall marketing infrastructure, says Jeffrey Merrihue in *Outlook*, July 2003.

Marketing expenditures have risen considerably over the past decade as companies have engaged in ever-tougher battles for customer loyalty and market share. In fact, the *Fortune Global 100* collectively spend more than $100 billion annually on marketing and advertising across all media.

Yet few companies can determine, with any certainty, which marketing programs consistently return genuine business benefits to the company and which simply siphon off profits. This inability to determine the return on investment of each marketing activity undermines the entire marketing effort-

precisely at a time when companies need a highly effective marketing function the most.

However, newer marketing techniques, such as econometrics and allocation software, are now making it possible to truly measure and improve the return on marketing investment. Given these measurement innovations, Accenture believes the time is right for C-level executives to expect a level of accountability from marketing similar to what they expect from purchasing, manufacturing and logistics.

Specifically, Accenture's experience of teaming with clients in this area shows that companies could potentially accelerate growth and cut costs by adopting a new approach to marketing that consists of six major steps: Quantify the effects of past marketing efforts; Develop insights into competitive performance; Identify under-performing initiatives before they become too costly; Establish accountability for each element of marketing activity; Identify products and markets that offer significant growth potential; Reallocate marketing resources to capitalize on new growth opportunities.

How to choose a Boss

Choosing a Boss is very similar to choosing your wife. You probably spend more time making decisions to please them than others in your life. If not, you are most likely looking for another job or you will be shortly. However, according to Jonathan Lederer, VP of Popkin Software, if you follow these basic rules, your chances of making a good decision dramatically improve. The rules are as follows:

▸ On the interview, come in with a series of questions. It is essential to recognize that you are interviewing your prospective Boss as much as he/she is interviewing you.

▸ Never choose a job without meeting your Boss and his/her Boss, too. It is not only important to get along with your Boss, but to understand the dynamics between the person you report to and his/her Boss (ask to speak to them separately -- this way, your new Boss is not in his best behavior). This also enables you to see if there are discrepancies in what the position entails.

▸ Go through typical day-to-day scenarios. How do you react in XYZ situation? If they respond similarly to you, certainly let the individual know that you would react in the same way (this illustrates that you are both on the same page). If he/she does not react in a way you like, reevaluate your position. You can love a job, but if you can't interact with your Boss positively, the job is not worth it.

▸ Watch the way in which your Boss responds to your questions. Body language is as important as verbal communication. Remember, your prospective Boss may love your resume; however, in six months, if you don't get along, his/her memory gets extremely short.

▸ Can you manage their expectations? The job may be fantastic, but your new Boss may not truly understand what it will take to be successful. Your approach, in solving issues, may be very different from the way your new Boss may solve the same dilemma. Politically, you can still get into trouble even if you resolve the issue.

▸ Do your personalities clash? Be honest with yourself and say, "Can I spend the rest of my life with this person?" If your answer is no, then you better run.

Like all relationships, interacting with a Boss takes hard work, understanding, dedication and communication to make it work successfully. Only you can decide who is right for you; however, with all good decisions, knowing what you are looking for always makes the decision that much easier.

Happy hunting!

Is India's software crisis self-inflicted?

IT professionals in India are not being put to intellectual rigor. Most of the talent is wasted by companies that have no clue how to utilize the talent pool

By Rajendra K. Bera

The IT industry in India is not able to use the huge potential of bright people because they are not being challenged. Because of high salaries the IT industry is attracting very bright people but because of poor intellectual activity they are not enjoying their jobs. I meet a lot of bright people every day. Just imagine five years from now what would be their fate and imagine the consequential personal problems. The bright Indian engineers are rusting.

There's a huge gap between the potential people have and the use to which it is put in India. The problem is not so much the lack of ability or knowledge, but the lack of mentors to handhold them in the initial years.

For the Indian IT industry to go up the value chain, it needs more domain experts. Whereas, most of the Indian companies are currently focusing on programmer knowledge acquired in short-duration courses. This is changing but it is very slow.

A programming language represents a formal mathematical system, but programmers are seldom aware of this fact because they are rarely taught to view it as such. An important aspect of a mathematician's training is in learning to avoid self-inflicted complexity in one's work and to focus on resolving domain complexity. The short sightedness of the software engineering community, in not training its practitioners into comparable standards of intellectual rigor and discipline, lies at the root of the software crisis.

Software development suffers from self-inflicted complexities essentially because the software engineering community does not demand professionalism from its practitioners.

For example, formal software development approaches pay a lot of attention to development methodologies such as the Waterfall, prototyping, or spiral approaches, and support and monitor them with a formal quality management system.

This approach works well in manufacturing industries where volume production by replication of a product already developed must be achieved flawlessly and consistently, and where incremental improvements are required to sustain and open up newer markets.

Focusing on methodologies is misplaced, if replication costs are negligible but creativity in analysis and design is paramount to success.

Creativity vs. methodology

Indeed, some of the best software developers have not gone through a formal methodology. The experience of Stroustrup, the famous designer of C++, echoed in the following quote from his book on C++, is common among top software developers:

"Until recently, there never was a C++ paper design; design, documentation, and implementation went on simultaneously. There never was a "C++ project" either, or a "C++ design committee." Throughout, C++ evolved to cope with problems encountered by users, and through discussions between the author and his friends and colleagues."

Such outstanding people succeed because they work at a higher level of abstraction, and then see a detailed area, dive into it, investigate it, and return once again to a higher level of abstraction.

Their ability to work at higher levels of abstraction is what allows them to retain intellectual control on the project and manage its complexity without the crutch of a formal development process.

Note that even the awesome project of putting a man on the moon, three decades ago, succeeded without a predefined methodology because

> **The short sightedness of the software engineering community in not training its practitioners into comparable standards of intellectual rigor, and discipline lies at the root of the software crisis.**

intellectual control was never lost. The project also included development of mission-critical software!

"In my experience," Stroustrup said: "Those who look upon software development as doing mathematics in the traditions of mathematicians do not need formal methods or a formal quality monitoring system. Their professional training and peer review generally suffices in maintaining excellence in their work.

More importantly, they are able to invent processes that would enable them to maintain quality. Quality never comes from mandated processes, but from the self-worth with which professionals measure themselves."

Developing domain expertise takes years before it can be used confidently, a timeframe generally not available to a software developer, so the practice is truly illogical. Logically, domain experts should become software developers and not vice-versa. Domain experts can easily learn software development skills because they already understand the value of abstraction, inheritance, encapsulation, etc. The ability to retain intellectual control at every step is the key to successful software development.

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The pink-slip party

Small players have to be innovative to stay in business

By Carol Metzker

To survive and thrive, businesses need top entrepreneurs, recruiters, technology management and customer service skills. Meet Joe Stubblebine, who has a healthy dose of all these characteristics and a unique philosophy of running a business.

In 1998, when large companies were really beginning to view the Internet as a business tool that could impact their supply chain, Stubblebine and three software developers started JobCircle.com, an online tool to match local Information Technology professionals with companies that needed them. "We wanted to build something that everyone needs. And we needed a low cost entry into the business, but with a high value for customers," said Stubblebine, who became president of the company.

Over the next few years, JobCircle.com grew - attracting new partners and investors, growing from one corporate customer to numerous, expanding from the Philadelphia area to states up and down the U.S. East Coast, upgrading technology to become an award-winning Web site, and enlarging a resume bank while making fans of over a hundred thousand job-seeking software developers, engineers and other IT workers.

Along with the good, they also experienced challenges along the way. Having very little startup capital, JobCircle was often forced to make something out of nothing, recounted Stubblebine. Competing against recruiting agencies that had plenty of cash to spend on flashy job fair booths kept Stubblebine and his team looking for creative ways to form partnerships and get things done. And although their cautious approach of "management by fear and paranoia" led them to put money in the bank and acquire no debt, they were eventually affected by the 2001 downturn of the economy and technology bubble burst. JobCircle downsized and more recently got acquired to form part of a new company, Human Capital Solutions, with Stubblebine as its president.

Using JobCircle's and Stubblebine's know-how and philosophy, the company is now matching jobseekers and employers in industries in addition to IT - biotechnology, healthcare and finance, among others - and is making more inroads into the physical space of recruiting while expanding its online presence.

Their unique philosophy of creativity, caution, customer service and connection has merit for other companies that want to succeed in troubling economic times:

Creativity - One way JobCircle gained company visibility and linked workers to employers without spending a fortune was by holding "pink slip parties," named for the "pink slips" received by workers notifying them that they were being downsized. Former employees could commiserate with others in the same situation and pitch their resumes to employers, identified by red bracelets, who were looking to hire IT personnel.

Cautious Approach to Spending -"We would never spend a dime unless we'd get a dollar in return," said Stubblebine. Instead of borrowing money to spend on expensive advertising or lavish job fair booths, the company often formed grassroots partnerships to accomplish goals. It linked up with radio stations who played music at their pink slip parties and helped foot the bill. And when the company wanted more visibility but couldn't afford the large cost of a billboard sign, it worked to design a sign board that advertised some of the companies that used their site and shared the costs with those businesses.

An Ear for Customer Service - "Taking money from someone's wallet is an intimate thing to do," Stubblebine continued. "You must convince customers to believe in you and then perform as promised." The company lets their business customers know that they can expect good results - "and then we hold ourselves to those standards," he said. The company also embraces jobseekers' complaints as an opportunity to make customized changes to their Web site.

An Eye to Connecting People - The company is continually finding new ways to connect people to each other through partnerships and jobs. Combining their ear for customer service and their eye to connecting people, during the past six months the company listened to companies - especially in the suburbs - talk about wanting more diversity in their workforce. Stubblebine's crew has devised a plan to connect those companies with diverse workers in the city by bringing them together at an event called "Celebrate Diversity Philadelphia" scheduled for 26 October.

"The response has been overwhelming to the event," said Stubblebine. In addition to bringing in employees and employers, the event will offer career counseling, resume education and a special area at the event for schools and universities.

For Stubblebine, it's important to hold to their philosophies as business moves at light speed, he said. "We try things and see what works. Passion from our founders moves us along. And we keep increasing value for our customers," In the end, Stubblebine says, "We know we impact a lot of people's lives."

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What women buy – and why

Women comprise more than half the U.S. population. And - of more interest to marketers - women make or influence the purchase of more than 80% of all products and services. Women are the majority decision-makers today, not only in the traditional areas of fashion, food and cosmetics, but also for such big-ticket buys as automobiles, financial services, home improvement, computer electronics and travel. So you might think there would be nothing about the buying habits of women that American businesses don't know.

However, according to the authors of two new books about marketing to women, American businesses are woefully ignorant about this sector of the population, sometimes to the point of paying millions for advertising and sales strategies more likely to annoy their target audience than attract them.

"You might feel that you have already evolved into the most politically correct person you can be. Your ads are not offensive; your products keep improving," but that's not enough to lure a woman to buy your product rather than a competing brand, warns Mary Lou Quinlan in her new book, Just Ask a Woman: Cracking the Code of What Women Want and How They Buy.

The problem, explains Martha Barletta in her new book, Marketing to Women: How to Understand, Reach and Increase Your Share of the World's Largest Market Segment, is that what has long been viewed as "normal buying behavior" turns out to be normal only for men. "Women," she says, "have a very different set of priorities, preferences and attitudes."

Both agree that women want marketers to be patient and helpful. "It's frustrating to marketers of high stakes businesses such as financial services and the automotive industry … to be asked to meet with women several times, to go through alternatives," writes Quinlan. But from a woman's point of view it's necessary: "Women judge the quality of the relationship as well as the quality of a product. They ask a lot of questions and do a lot of listening before they form a trusting relationship," she says.

Still, even though Quinlan and Barletta reach many of the same conclusions and offer overlapping advice, it must be said that they have written very different books.

Barletta says it's not that women want better products and better service while men don't. It's that women will go to more trouble to obtain what they want. She points out that Wyndham Hotels put magnifying mirrors in bathrooms based on suggestions from women who wanted them for applying eye makeup. Men didn't request the mirrors and probably never would have, according to Barletta, but they appreciated them when they appeared because it made shaving easier.

One reason it takes women longer to make a buying decision, Barletta explains, is that women want the "perfect answer." Men will buy a workable answer rather than continue to shop, while women will continue to shop in hopes of finding that perfect answer.

Barletta describes a woman who wanted a cell phone that would work anywhere, not rack up high roaming fees, and be "cute." The woman's husband researched various plans and came up with one that suited her calling and financial criteria. "What kind of phone comes with it?" the woman asked.

"What difference does it make?" replied the husband. The woman checked out the phone offerings and learned they included a Nokia model that could be had in "ocean blue," although the nearest store carrying one in ocean blue was an hour's drive away. She drove. "The color of the phone is the most important thing?" asked her astounded husband. No, said Barletta, it wasn't the most important thing, but while this woman was buying, "she wanted what she wanted." To women, details matter. "A woman might choose a Jeep Cherokee because it's the only one whose hatch she can easily flip open."

Studies have shown, writes Barletta, that the male sees his relationship to others in terms of higher-lower, faster-slower, first-second. A female sees her relationships in less competitive terms: similar to-different from, know her-don't know her. Thus advertising that says others will be jealous if you own this product works with men, but is off-putting to women. Women, says Barletta, want to be able to say: "Yep, that's my life. If that product works for her, it'll probably work for me."

Women also relate better to "warmer" than to "winner." A Nissan print ad stating "horsepower increased 17%, torque increased 6%, bragging rights increased 100%" is a male-only ad. Women don't care about bragging rights (even those who know what torque is), says Barletta. But an ad for an SUV that says, "Think of it as a 4,000 pound guardian angel," is an ad that resonates with women.

Both Quinlan and Barletta have written books filled with information that can be used to attract female customers. But Barletta's book contains more of the kind of information that resonates with marketers, regardless of gender.●

Poverty in India during the 1990s: A Regional Perspective

Kijima and Lanjouw provide estimates of poverty at the regional level in India spanning the 1990s. Such estimates have not been previously available due to concerns regarding non comparability of the 1993-94 and 1999-2000 National Sample Survey Organization (NSSO) household survey data. They implement an adjustment procedure to restore comparability based on a methodology developed by Elbers and others (2003). The results indicate a less rapid decline of poverty at the all-India level than has been suggested by Deaton and Drèze (2002) based on a related adjustment methodology. The authors attempt to uncover the source of disagreement across these procedures by probing a number of their underlying assumptions.

This paper-a product of the Poverty Team, Development Research Group-is part of a larger effort in the group to analyze poverty in India.

Yoko Kijima, and Peter Lanjouw, Pub. Date: September 26, 2003,

http://econ.worldbank.org/view

Elements of a World Class Management School

This paper delineates the best practices that are commonly followed by world-class management schools in their governance and pursuit of scholarly activities. It tries to highlight the processes required to become a world-class institution and draws implications for schools in India that aspire to become world class. The paper is based on visits to a number of such schools around the world and discussion with faculty and administrators at these schools. It also discusses issues like autonomy, research, governance, compensation and financial independence which are critical for academic development of institutions in India.

Chandra Pankaj, Date of publication: 15 Sep 2003

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

Individual Attitudes toward Corruption: Do Social Effects Matter?

Using individual-level data for 35 countries, Gatti, Paternostro, and Rigolini investigate the microeconomic determinants of attitudes toward corruption. They find women, employed, less wealthy, and older individuals to be more averse to corruption. The authors also provide evidence that social effects play an important role in determining individual attitudes toward corruption, as these are robustly and significantly associated with the average level of tolerance of corruption in the region. This finding lends empirical support to theoretical models where corruption emerges in multiple equilibria and suggests

that "big-push" policies might be particularly effective in combating corruption.

This paper--a joint product of Investment Climate, Development Research Group, and the Poverty Group, Poverty Reduction and Economic Management Network--is part of a larger effort in the Bank to understand the determinants of corruption.

Stefano Paternostro, Roberta Gatti, and Jamele Rigolini

Pub. Date: August 25, 2003, http://econ.worldbank.org/view

Why Knowledge Management Systems Fail?

Enablers and Constraints of Knowledge Management in Human Enterprises

Drawing upon lessons learned from the biggest failure of knowledge management in recent world history and the debacle of the 'new economy' enterprises, this chapter explains why knowledge management systems (KMS) fail and how risk of such failures may be minimized.

The key thesis is that enablers of KMS designed for the 'knowledge factory' engineering paradigm often unravel and become constraints in adapting and evolving such systems for business environments characterized by high uncertainty and radical discontinuous change. Design of KMS should ensure that adaptation and innovation of business performance outcomes occurs in alignment with changing dynamics of the business environment. Simultaneously, conceiving multiple future trajectories of the information technology and human inputs embedded in the KMS can diminish the risk of rapid obsolescence of such systems.

Envisioning business models not only in terms of knowledge harvesting processes for seeking optimization and efficiencies, but in combination with ongoing knowledge creation processes would ensure that organizations not only succeed in doing the thing right in the short term but also in doing the right thing in the long term.

Dr. Yogesh Malhotra, Syracuse University

http://www.brint.org/WhyKMSFail.htm

Reconciliation of the Dichotomies in Marketing Theory and Practice

Although marketing researchers have aimed to discover theories in marketing, the level of theory development within the discipline is low. The paper reviews the knowledge development practices in marketing to identify a set of dichotomies that constrain theory development in the field. These dichotomies include (i) Dichotomy between positivist and relativist research paradigm, (ii) Dichotomy between theory testing and creation and (iii) Dichotomy between

academics and practice. The paper then proposes means of reconciling these dichotomies so as to accelerate the level of theory development within the discipline.

Koshy Abraham, Dang Jha Priya,

Date of creation: 15 Sep 2003

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

Women And Leadership Roles

'Women and Leadership Roles' is culled from workshops conducted by Prof. Indira Parikh at the IIMA. From 1980 till date programs exploring issues facing Women in Management are offered at the Institute. Issues surrounding leadership, work roles and authority are debated. The objectives are to explore the influence of the transformation of organizations on women's roles in the corporate world; to explore leadership roles and also individual life-spaces; to discover wholesome ways to actualize dreams and chart new career paths

Indian women and the society as a whole has moved from well-entrenched gender-centric roles, where Man was considered the leader and provider and Woman the idealized deity, submissive and subservient to the wishes of her family. The revolutionary thinking that is emerging, partly due to education and Western influences, recognizes roles that are not stereotyped by gender and allow men to recognize their femininity and women their masculinity. This transformation is far from complete; however important beginnings have been made particularly in the metropolitan cities and in tomorrow's industries where enabling technologies have brought dramatic changes in terms of creating virtual workspaces.

Parikh Indira J, 01 Mar 2003

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

Business Ethics versus Economic Incentives: Contemporary Issues and Dilemmas

This paper is based on my experience with teaching a course on ethical dilemmas faced by individuals, managers and businesses in contemporary societies. Modern economic thinking generally presumes that individuals and businesses in a society follow their own self-interest, or private economic incentives. The course highlighted the importance of ethical considerations for action that are based on consideration of others rather than one's own. Four significant ethical dilemmas of modern societies, concerning Crime Reduction and Legalization of Drugs, Saving the Earth's Environment, Abortion and Ethics in Business were chosen for class discussion. The readings on ethics in business covered views by management experts such as Peter F. Drucker and David Vogel on the meaning, relevance and evolution of business ethics in modern societies. The pedagogy of the course

consisted of lectures and group discussions, during which relevant ethical issues were analyzed by using real-world examples and cases. In a rapidly globalizing economy, Indian managers are likely to confront complex ethical concerns. Therefore, Indian managers need to acquire a deeper knowledge and understanding of ethics in business. A course on business ethics in India should aim to enhance students' understanding of ethical behavior, keeping in view the globalization process that is influencing the functioning of Indian firms today.

Kulshreshtha Pravin, 01 Feb 2003,

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

Commercialization of Traditional Knowledge Based Technologies by Small Entrepreneurs: An Exploration of Strategic and Policy Options

The paper is based on the case study of an entrepreneur who has invested his career in developing a new product based on traditional knowledge. Using this case we highlight the issues faced by a small entrepreneur in the commercialization of traditional knowledge based technologies in pharmaceuticals industry. The framework developed by Teece is used to analyze the strategic options available to the entrepreneur in a weak appropriability regime. We also analyze a hypothetical scenario of strategic options available to the entrepreneur if the appropriability regime was strong. Since traditional knowledge based entrepreneurial activities have significant scope in India, it is important to explore the policy and strategic options that are available to us. In the context of the case study, the concluding part of the paper reviews these options and the associated implications for the holders of traditional knowledge.

Avasthi Dheeraj, Basant Rakesh, Gupta V

01 Feb 2003, http://www.iimahd.ernet.in/publications

HUMAN WATCHING

A CD-ROM on non verbal communication Image is useful as a marketing tool, but you can use it efffectively only when you know the articulations of your image. In an era of competition and interactions, human watching and non verbal ommunication are very important facts of business since it makes deals faster with the intentions being known quite easily.

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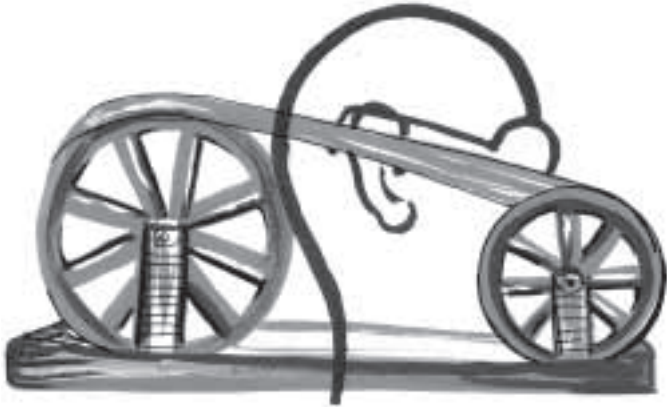Bruno Lean and Ronny Lean are the promoters and planners of this Consultancy.

Price: Rs. 500/- , Launch: 30th October 2003.

Email : ronny@re-marc.com.

How emotional intelligence impacts leadership style

The evidence linking emotional intelligence to leadership effectiveness has been anecdotal at best. Are managers who are higher in EI more effective as leaders in terms of impacting performance than those with lower levels?

By William V. Leban , Ph.D. & Ramkrishnan V. Tenkasi, Ph.D.

D uring the last decade interpersonal and relational skills have become more integral to effective leadership. Where leaders were once seen to plan, organize, and control, in today's service-oriented industry ecologies, competing in a globally interdependent world, leadership effectiveness is also being able to create and forge new relationships and maintain and manage existing relationships both internal and external to the organization.

This relational competence to motivate and inspire others, to foster positive attitudes at work, and to create a sense of contribution and importance within and among team members and internal and external stakeholders has become an integral aspect of leadership in our interconnected global economy. As a result, there have been calls for research to begin exploring the underlying attributes and behaviors of managers who successfully perform these relationally oriented leadership roles so as to identify selection and training criteria for the recruitment and development of such relationally effective leaders.

One proposed underlying attribute of relational leadership effectiveness is emotional intelligence. A question that has been much asked and debated but has not been systematically examined is: Is there a relationship between emotional intelligence and leadership effectiveness? In other words, are managers who are higher in emotional intelligence more effective leaders in terms of impacting performance than those with lower levels of emotional intelligence? This was the primary question that we addressed in this study. A secondary question was to determine if there is a relationship between emotional intelligence and kinds of leadership styles. In other words, can a highly emotionally intelligent manager's performance effectiveness be enhanced if he/she practiced certain leadership styles versus others?

Research investigating the relationship between emotional intelligence and leadership effectiveness is a much needed one that helped motivate the first research question of our study; Are managers who are higher in emotional intelligence more effective as leaders in terms of impacting performance than those with lower levels of emotional intelligence?

Emotional intelligence and leadership styles

While early leadership research indicated that leaders had singular leadership styles, latter research refined the leadership model to include what researchers such as Professor Bernard Bass and Bruce Avolio characterized as the Full Range of Leadership styles. The Full Range of Leadership is a broad continuum ranging from transformational leadership at one end, with transactional leadership being in the middle, to the laissez-faire or minimal-leadership at the other end. Key to the Full Range of Leadership model is the concept that leaders possess the ability to exhibit each style to some degree and thereby use the leadership style that is most appropriate for the situation.

Transformational leadership style is characterized by four key sets of behaviors: (a) "idealized influence" of followers through demonstration of high standards of personal conduct, self-sacrifice, determination and vision; (b) "inspirational motivation" by providing meaning and challenge to followers' work; (c) "intellectual stimulation" that promotes innovation and creativity among followers by questioning their assumptions, reframing problems, and approaching old situations in new ways; and (d) "individualized consideration" that includes development of followers through attention to their individual needs.

Emotional Intelligence as indicated earlier is an individual ability that some possess naturally, although there is some evidence that it can be acquired through training. However, what has been pondered about, but not been investigated is, is there a relationship between emotional intelligence and leadership styles? In other words, when individuals with high levels of emotional intelligence abilities are put in leadership situations, is their leadership effectiveness in terms of influencing performance outcomes enhanced if they practiced certain leadership styles versus others? In general, this begs the question as to what kind(s) of leadership style overall work best in combination with higher levels of emotional intelligence abilities - is it transformational, transactive or laissez-faire?

Study Design and Procedure

In order to investigate these two questions 1) Are managers who are higher in emotional intelligence more effective leaders in terms of influencing performance effectiveness than those with lower levels of emotional intelligence? , and, 2) Is the leadership effectiveness of

managers with high emotional intelligence abilities with respect to influencing performance outcomes enhanced if they practiced certain leadership styles versus others?, we designed a field study involving six organizations from various industrial sectors located in different parts of the United States. The industry classifications included Healthcare, Manufacturing and Sales Service, Project Management Services, Information Technology Services, and Training and Consulting Services. Our unit of analysis for the purposes of the study was 42 large-scale new product development projects across these 6 organizations.

The projects represented different new product development efforts such as a pharmaceutical drug product, software upgrade product, and a software performance improvement product. We contacted these new product development teams right at the time of the initiation of these projects and we followed their activities and performance for a duration of at least one year. All project leaders were administered the MSCEIT emotional intelligence ability test at the initiation of the project to measure their levels of emotional intelligence and were re-administered the same instrument after completing 4 months of project activities.

All project team members (ranging from 12 to 16 members per project) rated their project leader on the range of the leadership styles they displayed (Transformational, Transactive and Laissez-faire) by responding to the Multifactor Leadership Questionnaire (MLQ 5X) again over two time periods, once during initiation of the project and a second time six months into the life of the project. We also supplemented this information by conducting interviews with project leaders, project team members and relevant stakeholders.

Finally, at the conclusion of each project we collected actual performance information to determine how successful each project had been. Data on the following performance metrics were collected; actual to projected costs, actual to project schedule, performance quality of the product, and customer satisfaction with the product. Then we conducted rigorous statistical analysis using techniques such as multiple regression and multivariate analysis of variance to test our research questions.

Findings

Our analysis of the questionnaire and interview data revealed the following findings;

1) Overall managers high in emotional intelligence are also better leaders in terms of influencing project performance effectiveness. Higher the emotional intelligence of the project manager the more effective was the project in terms of performance outcomes related to cost adherence, schedule adherence, performance of the product and overall customer satisfaction with the product.

2) A highly emotionally intelligent manager's effectiveness in influencing project performance is considerably enhanced if they practiced transformational leadership. The resultant gains in terms of performance

effectiveness as related to the above performance indices is considerably higher if a manager had both high emotional intelligence and adopted a transformational leadership style than the performance gains that were realized if the manager only had high levels of emotional intelligence abilities.

3) A related but surprising finding was that a highly emotionally intelligent manager's effectiveness in influencing project performance can be significantly retarded (or even adversely affected) if they use other leadership styles, notably laissez faire and to a lesser extent, a transactional leadership style. In other words any advantages to be gained from having a high emotional intelligence quotient can be cancelled out and even result in a negative impact by not adopting a transformational leadership style

4) An aside finding was that more complex the project (we rated each project on how complex they were by using a project complexity scale with projects such as pharmaceutical drug development being the most complex

> Emotional Intelligence as indicated earlier is an individual ability that some possess naturally, although there is some evidence that it can be acquired through training.

and software upgrade being the least complex), the better the impact in terms of performance if the project was led by a manager who was high in both emotional intelligence and the practice of transformational leader behaviors. In short, we found that managers with high emotional intelligence and high transformational leadership skills are better at managing complex projects than those only with high emotional intelligence or those who were lower in emotional intelligence but adopted a transformational leadership style.

5) In summary the study revealed that the most effective managers/leaders in terms of creating effective performance success are high in both emotional intelligence and transformational leadership behaviors

Implications

Contemporary leadership effectiveness requires a shift beyond the traditional functions of planning, organizing and controlling to the practice of a more relationally oriented leadership approach. Our study findings suggest that managers with high emotional intelligence are more effective with respect to relational orientation by tuning into people's feelings-their own and others'-and guiding them in the right direction. Further, emotional intelligence when combined with a transformational leadership style appears to be most optimal for influencing performance outcomes implying the need for training managers in both these competencies.●

William V. Leban , Ph.D., Director, Keller Graduate School of Management, DeVry Institute of Technology, Oakbrook, IL, USA

Ramkrishnan V. Tenkasi, Ph.D., Professor of Organization Change, PhD Program in Organization Development and Change, Benedictine University, Lisle, IL, USA

lemon

a defective product, especially a car.

lightning rod

Person who initiates change, particularly dramatic and potentially dangerous changes in an organization.

max out (to)

reach the limit

McCarthyism

Character assassination.

Mickey Mouse

unsophisticated

scarlet letter

symbol of shame.

slam-dunk

Something easily accomplished (basketball).

talking heads

A derisive advertising term for commercials that consist of a pitch man/woman extolling the virtues of a product

that dog won't hunt

That idea will not work.

throw it against the wall and see if it sticks (to)

Try a new idea and see if it works.

toe to toe (to go)

Compete directly and aggressively(boxing).

voodoo economics

Critic's description of Reaganomics

vulture fund

An investment fund that speculates in companies or real estate whichhave significantly declined n value.

warm fuzzies

verbal compliments

watering hole

A bar.

W-cubed

Whatever,wherever, and whenever you want it.s

zombie bonds

Bonds that were thought to be valueless (dead) for which trading resumes.

Source: http://www.islc.net

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

Can spirituality and business coexist?

Is it possible to be spiritual and yet be successful in business? If the sale of business books on spirituality and the number of courses on this subject in top business schools are an indication, a deeper process of inquiry has certainly begun

By William C Miller

A vision of cohabitation of business and spirituality naturally invokes skepticism, in this case, of two kinds. Some people are positive about business, but skeptical about spirituality. They would say things like, "Business and spirituality just don't mix." Some people are positive about spirituality and skeptical about business. They say things like, "You can't really be spiritual if you are involved in business."

But this skepticism, from a spiritual perspective, is welcome and it only invites a deeper inquiry into the relationship between the two. For some people, it seems impossible to bring these two worlds together. I am reminded of a wonderful passage from *Alice in Wonderland.* Alice says, "One can't believe impossible things." The queen says, "I dare say you haven't had much practice. When I was your age, I always did it for half an hour a day. Why sometimes I believed as many as six impossible things before breakfast."

neetu singh

Is it really impossible to be spiritual and be successful in business? Janiece Webb, senior vice president with Motorola, certainly doesn't believe so, for she recently told me: I do believe strongly in leading in a spiritual way. It keeps you from doing many short-term tactical actions that are often wrong for the business and the people. It also gives you

> **These questions in this ever-widening dialogue is most timely today because we live in a world in which our life goals are seriously out of balance.**

immense courage to stand tall against politics. Being a spiritual leader can sometimes be lonely, but you feel happy and grounded inside. You also embrace your own humanness and imperfection. And, it keeps you humble as a leader and yet still strong.

In the past decade, three questions have emerged in an ever-widening dialogue about spirituality and business. The first is, "How can we bring spiritual values into business?" This holds business as the context with the attempt to fit spiritual values into it. The second question is, "How can we integrate spirituality and business?" This has spirituality and business as equal playing fields with an attempt to bring a balance or overlap between them. The third is, "How can we unfold business from a spiritual context?" This has spirituality as the

context, or the framework, in which we will look at how a business can then grow and unfold.

I find the third question to be most expansive, in mind, heart and soul. It brings about the widest and deepest creative answers. It also includes the two other questions in its scope. These questions in this ever-widening dialogue are most timely today because we live in a world in which our life goals are seriously out of balance. We find ourselves pursuing wealth without harmony with creation, creating a condition of global hyper-competition and global greed. And, we are pursuing our desires, but without spiritual fulfillment, creating a condition of global consumerism and global stress.

There's also a spiritual awakening in business. Consulting firms such as McKinsey are rolling out spiritually-based training programs and finding that they have a significant, positive effect on productivity, employee retention and even market share. Business books on spirituality in business are the fastest growing segment of the business book industry. And the stories about CEO's, show that the revolution has started even at the very top.

Ricardo Levy, CEO of Catalytics, Inc., has recently written that executive corporate leadership is a vocation that has equal dignity and equal critical societal impact to that of a priest or teacher. Spirituality has a very important role in the professional life of a business leader. And spirituality goes far beyond the time set aside for religious practice. That spirituality is inside of me, that spirituality is the compass in everything I do.

Is it a bold thing to say that executive corporate leadership is a vocation with equal dignity to that of a priest or a teacher? Perhaps. But consider that the average working adult easily spends 40 - 50% of their waking life at work. And that doesn't even figure in the average commute. What a shame if that time is spent in spiritual sleep. The invitation to each of us is to be spiritually awake at work, which quite naturally invites others to awaken to their own spiritual nature.●

William Miller is a co-founders of the Global Dharma Center where he is currently focused on spiritual-based work and leadership.

Extracts from the Art of Spiritual Leadership CD

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

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

Customer Needs and Strategies

This IDC Study on Enterprise Applications Deployment in India is part of the IDC's Asia/Pacific Enterprise Applications Deployment Case Studies series. It was designed to provide companies that are intending to implement enterprise applications an insight to some of the adoption rationale, evaluation analysis and processes, and selection criteria in successful implementations. The case studies also complement the quantitative data in the annual IDC Continuum study, which provides adoption trend of companies in Asia/Pacific. Enterprise applications included in the studies are enterprise resource management (ERM), supply chain management (SCM), and customer relationship management (CRM).

There are six case studies for each country. Two studies for each secondary market application in the 12 countries that IDC covered, studying the companies' behavior in software adoption. The 12 countries that IDC tracked are Korea, PRC, Taiwan, Hong Kong, India, Thailand, Malaysia, Singapore, Philippines, Indonesia, Australia, and New Zealand. Some of the key questions addressed in these case studies are: What are the major challenges faced by Indian companies when implementing enterprise application? Why are companies in India adopting ERM, SCM, and CRM solutions? What are the advantages and disadvantages of customized application?

Enterprise Applications Deployment Case Studies - India

Author: Faye Devlin

http://www.nwfusion.com/research/reports

NHAI deploys an IT highway for Indian roads

The case takes a look at how National Highways Authority of India (NHAI) is leveraging the use of IT to make its mammoth road development project a success. It's mandate is to construct 13,146 Km of 4/6 lane superior highways in India. This is a part of the largest highway project ever in independent India called the National Highway Development Project (NHDP).

NHAI has turned to IT to make operations and management easier and keep regular communications with all project sites. It has deployed a robust LAN in its Head Office (HO), IT Telephony services, and plans to deploy a nationwide WAN, to facilitate workflow in its offices and project sites. NHAI plans to deploy a WAN to improve communication between construction activities going on simultaneously in different parts of the country.

The organization looked forward to the following benefits of building an information highway of this kind. Some of them were:

- It will help plan and execute construction activities at various nationwide sites.

- Vital information that can support efficient implementation of the project can be shared quickly.

- It will reduce the cost of communication since telephones and faxes, which are currently used to communicate, run high bills.

- Information from toll booths set up along the highway, regarding toll collection and traffic statistics can be delivered to the NHAI head office easily. Toll booths have already started operating in certain stretches of roads which have been completed.

- Citizens can receive real-time information about the completion of roads and plan their travel routes.

Unlike other Government works departments, NHAI has a thin staff. In such a situation, it's useful to deploy IT and share information that will help manage a project of this size.

http://www.cisco.com/global/IN/includes/NHAI.pdf

Implementation of CISCO networking solutions at Exel India

Exel is a global leader in supply chain management, providing customer focused solutions to a wide range of manufacturing and retail industries. Exel's comprehensive range of innovative logistics solutions encompasses the complete supply chain from design and consulting through freight forwarding, warehousing & distribution services, integrated information management and e-commerce support.

Exel, a UK listed company, has a turnover of over £4.3 billion (US$6.6 billion) and employs more than 60,000 people in 1,300 locations in over 120 countries worldwide. Exel's customers include over two-thirds of the world's largest non-financial companies.

Exel, in India have their head office in Mumbai. In India, Exel has 22 offices and 8 warehouses and has a total employee strength of around 650 employees.

Business Benefits for Exel India

"We were able to give our clients more effective services as our inter-branch communications became more effective. We have managed to totally elude STD costs - using a CUG IP-Telephony solution from Cisco. Further, after we opted for Cisco's Wireless Networking solutions, we hardly have any down time whatsoever. The VPN solution has provided for secure and reliable data communication between offices. All in all, the network has delivered tremendous cost-benefits to the company, has provided more productive and efficient working environment for employees - and most critically, has

helped us delight our customers with enhanced ervice quality."says Suresh Subramaniam, asst. general manager - IT, Exel India Private Limited

http://www.cisco.com/global/IN/includes/exel_cisco.pdf

Unicenter Serves as the Critical Link to HDFC's Success

HDFC Bank Limited (HDFC) is fulfilling its aim to become a world-class Indian bank. It was included in the Forbes global list of "The 300 Best Small Companies" in the world. Euromoney magazine hailed it as the "Best Bank - India" and "Best Domestic Bank - India" in 1999 and 2000, respectively.

The bank offers a wide range of banking products and services in both the wholesale and retail segments. It has more than 147 locations spread across 63 cities in India and more than 350 ATMs servicing both the bank's customers and major credit card companies. Additionally, the bank serves as a clearing and settlement bank for India's two largest stock exchanges and participates in depository operations.

Supporting HDFC is a huge, complex computing and network infrastructure spread throughout India. Information Technology (IT) plays a crucial role in building the bank's competitive advantage. Its heterogeneous world-class IT and communications infrastructure is open, scalable and web-enabled.

The advantage of implementing Unicenter started manifesting within two months after completion, as SR Balasubramanian, vice president, IT, HDFC Bank said, "The implementation has shown distinct benefits resulting in lower downtime and higher productivity, and has given us the simplicity of a single window solution. We have been able to automate across the organization."

http://ca.com/offices/india/casestudies/hdfc.htm

What Works: Akashganga's IT Tools for the Indian Dairy Industry

India has quadrupled its milk output in forty years, becoming the world's largest milk-producing nation, with a gross output of 84.6 million tons in 2001. It has achieved this on the strength of a producer-owned and professionally-managed cooperative system, despite the fact that a majority of dairy farmers are illiterate or semi-literate and run small, marginal operations; for many dairy farmers, selling milk is their sole source of income.

Pertinent to addressing this challenge is a small, entrepreneurial business, Shree Kamdhenu Electronics Private Ltd. (SKEPL), founded in 1996 with less than US$11,000 to develop IT-based tools that could increase the efficiency and productivity of the Indian dairy industry at a grassroots level.

AKASHGANGA's success demonstrates the potential of information technology to impact livelihoods in poor, rural communities. AKASHGANGA's experience indicates that even illiterate or semi-literate people can adopt IT-based systems when they see tangible benefits and when the systems are deployed in purposeful, easy-to-use ways. SKEPL's experience also indicates that providing direct benefits and expanded opportunities to poor communities in developing countries can be profitable.

http://www.digitaldividend.org/case/case_akashganga.htm

Rapid Deployment of Telecommunications Kiosks in India (RADTEK-I)

The Rural Telecommunications Project has spawned a number of small entrepreneurs, who have built and are operating DMR (Digital Microwave Radio) networks in a small number of locations. This technology is still used in some parts of the rural United States. Target villages are connected to the central switch site, which can be 50 to 60 miles away, via multi-hop digital microwave repeaters.

There are a number of obstacles RADTEK-I will have to overcome. First, there are several access techniques to achieve the capability necessary. In each, it will be necessary to terminate the traffic at a PSTN digital switch. This architecture issue can be resolved once the viability and availability of a desired access scheme is determined. Second, although the rule regarding VSAT networks has been waived temporarily, the government may be unwilling to waive it on a permanent basis. Third, modem-based Internet access is available only in major cities, and has yet to be obtained from the PTT. Application costs are high and the wait can be several months. Fourth, the licensee companies are mired in financial trouble and have yet to deploy any significant network. And finally, bureaucratic delays are inevitable unless ministerial involvement is achieved.

http://www.worldbank.org

Case studies by IIMA faculty

1. A Note On Air Express Industry by Profs Sankaran Manikutty & G. Raghuram
2. Airfreight Limited (AFL) by Profs. G. Raghuram & Sankaran Manikutty
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4. Coca-Cola Versus Pepsi In India: The Battle For The Bottle Continues by Prof. Sankaran Manikutty
5. DHL Worldwide Express: The Express Division Of Airfreight Limited (AFL) by Prof Sankaran Manikutty & G. Raghuram

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

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

Anthony P. D'Costa, E. Sridharan

320 pages £60.00

Publisher: Palgrave Macmillan

Releasing Dec. 2003

In this timely and unique study, the innovations in India's information (IT) industry are examined in detail. Globally the IT Industry has experienced phenomenal growth. For many economies, IT is expected to be the engine of growth for many countries. Already in India, the IT industry has made a mark in the global economy. However, India faces major challenges in meeting the basic needs of all its people and simultaneously meeting the requirements of competing in the increasingly globalised post-WTO world economy.

The Indian IT sector provides a unique window to understand the process of development in an era of global economic integration. This unique study examines the issues surrounding the analysis of the Indian IT sector on a global, national, regional, firm, and product level and the significance of national policies to sustain the competitiveness of the Indian IT sector.

A paperback version for India is planned sometime in January at about one fifth the price of the UK edition.

Contents

The Indian Software Industry in the Global Division of Labour; A.P. D'Costa

Evolving Towards Innovation? The Recent Evolution and Future Trajectory of the Indian Software Industry; E.Sridharan

Export Growth and Path-Dependence: The Locking-in of Innovations in the Software Industry; A.P.D'Costa

Innovation Under Export Orientation; A.Parthasarathi & K.J.Joseph

The Indian Software Industry from an Israeli Perspective: A Systems/Evolutionary and Policy View; G.Avnimelech & M.Teubal

Software Product Development in India: Lessons from Six Cases; R.T.Krishnan & G.N.Prabhu

The Silicon Valley Connection: Transnational Networks and Regional Development in Taiwan, China, and India; A.Saxenian

Capability Building and Inter-Organization Linkages in the Indian IT Industry: The Role of Multinationals, Domestic Firms, and Academic Institutions; R.Basant & P.Chandra

Originative Innovation and Entrepreneurship in the Software Industry in India; A.K.Ojha & S.Krishna

Stages in Multiple Innovations in Software Firms: A Model Derived from Infosys and NIIT Case Studies; D.Bhatnagar & M.R.Dixit

Conclusion: Global Links, Domestic Market, and Policy for Development; A.P.D'Costa & E.Sridharan

Perspectives in Business Ethics

By:Hartman, Laura P.

Retail Price :Rs 295, pages :832, Yr Of Publication : 2003

Publisher :Tata McGraw-Hill

Ethics pays a role in nearly every business decision. The second edition of Perspectives in Business Ethics continues to provoke, challenge and engage readers in the most relevant ethics dialogues taking place in business today. Discover how this edition of Perspectives in Business Ethics: grounds its discourse in a traditional ethical and philosophical foundation; probes the role of ethics in the business disciplines; presents the different viewpoints of those affected by business decisions; confronts ethical issues associated with business in the cyber age, the global economy, child labor laws, animal rights and many other vital topics. With its unique and dynamic blend of textual discussion, short cases and primary sources, Perspectives in Business Ethics encourages you to ask the questions before colleagues, customers or shareholders demand the answers.

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

By: Alan Robertson, Graham Abbey

Publisher: 2003, 224 pages, Price: £16.99

http://www.pearsoned.co.uk/bookshop/

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

The manager of a talented team needs to learn quickly how to spot and respond to talent, how to encourage it to grow, whilst gently directing its course. The manager of talent needs to be able to cope with the fact that certain members of the team may be in some respects brighter and more able than they are - and to be comfortable about that.

The manager of a talented team needs to completely understand what role they play in the team's success and communicate that subtly but effectively. To be respected and to be the person that the talented individual is happy to be led by.

The Innovator's Solution: Creating and Sustaining Successful Growth

2003, publisher - www.wspc.com/books/, price $29.95

In the worldwide best seller The Innovator's Dilemma, Clayton M. Christensen exposed a crushing paradox behind the failure of many industry leaders: By doing what good companies were supposed to do--focus on pleasing their most profitable customers--leaders were paving the way for their own demise. How? By ignoring disruptive technologies–new, cheaper innovations that initially target small customer segments but evolve to displace the reigning product. Now, Christensen and co-author Michael E. Raynor cut the Gordian knot of the innovator's dilemma with The Innovator's Solution.

This groundbreaking book reveals that innovation is not as unpredictable as most managers have come to believe. Although the outcomes of past innovations seem random, the process by which innovations are packaged and shaped within companies is very predictable. By understanding and managing the forces that influence this process, companies can shape high-octane business plans that create truly disruptive growth.
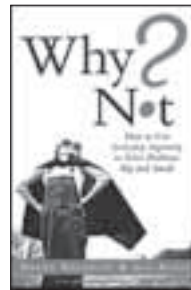
Drawing on years of in-depth research and using new theories tested in hundreds of companies across many industries, the authors identify the processes that create successful innovations and show managers how to tailor their strategies to the changing circumstances of a dynamic world.

Clayton M. Christensen, D.B.A., is the Robert and Jane Cizik Professor of Business Administration, with a joint appointment in technology and operations management and general management, at the Harvard Business School. Michael E. Raynor, D.B.A., is a director at Deloitte Research, the thought leadership arm of Deloitte & Touche and Deloitte Consulting.

Why Not?: How to Use Everyday Ingenuity to Solve Problems Big and Small
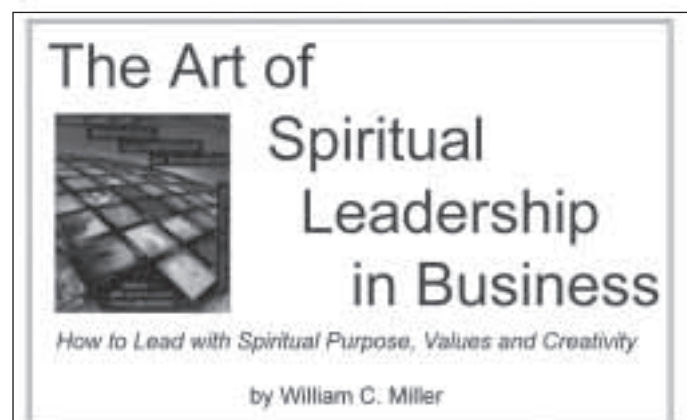
By: Barry J. Nalebuff , Ian Ayres
Publisher: HBS Press Book, 2003

Robert F. Kennedy challenged us to "dream of things that never were and say, Why not?" Why Not? is a primer for fresh business thinking, for problem solving with a purpose, for bringing the world a few steps closer to the way it should be. Idealistic? Yes. Unrealistic? No. Authors Barry Nalebuff and Ian Ayres have spent their careers asking questions, solving problems, and bringing fresh ideas to market--from insurance that protects against a decline in your home's value to Honest Tea, bottled iced tea that actually tastes like tea.

Illustrated with examples from every aspect of life, this book offers simple techniques for generating ingenious solutions to existing problems and for applying existing solutions to new problems.

In the spirit of Edward de Bono's Lateral Thinking, Why Not? will help you take the things we all see, every day and think about them in a new way. Why not have telemarketers pay you for your time when they call? Why not sell a mortgage that automatically refinances when interest rates drop? Why not organize a "buycott" rather than a boycott? Why Not? will provoke you into finding new business opportunities using everyday ingenuity. Great ideas are waiting. Why not be the one to discover them?

The Japanese Way

The Japanese way of managing business has not lost its relevance even after 50 years. Indian companies can pick up few lessons as they start exploring opportunities in the East

By Arunkumar M. Khannur

Japan, after World War II, emerged like a phoenix from the brink of extinction, to take on the West in electronics and the automobile industry. How and what makes the Japanese so successful? I have listed three fundamental differences between the Japanese and the Western ways of managing a business - organization culture, decision-making and product and process management.

The culture of Japan is based on the 'group society' foundation and has its own distinct and inbred corporate culture. The Japanese companies have a more intuitive approach to management. Employees have undefined roles and are expected to work as teams to meet group goals. There is less value for individual creativity and it is a must for the individual to get along with the group. The key is to sustain good relationship with the group members and not try changing its direction. Authority in the group and in the company comes with age and dedication to the same firm for their entire careers - group commitment prevails over individual commitment.

The group creativity in Japan has contributed to engineering marvels. This is evident in the Japanese car industry where a car is produced at one-third the time taken by its competitors in the West.

Solution Before Decision

The Japanese exhibit "collectivism" in decision-making. Group dynamics and the level of consensus in the decision processes appear to play an important role in Japanese companies. Decisions take place at all levels and at all functions in the organizations.

There are two basic decision-making models. The western model is referred to as Synoptic Model and Japanese model is the Ringi Model.

In the Western model managers make the decisions. Decision-making is rapid and implementation is considered entirely separate from decisions. Since managers basically provide direction and guidance the co-workers reporting to work out details of implementation.

The Japanese model is a collective decision-making process and involves a lot of question based probing. As a result decision-making is very slow. But implementation related details are considered as part of the decision. As a result, by the time decisions are taken by the Japanese they are already well aware of the solutions.

Thus the Japanese collectively work out many alternative solutions for the problem, collectively probe and select the best, set group objectives, and work for the group with commitment. While doing so, they ensure that individuals abide to group's objectives; groups abide to a company's objectives; and companies abide by national objectives.

The Japanese entrepreneurs live to build companies, and make every effort to save the company and safeguard the employees rather than sell the company to make money.

Product first or process first?

The Western management philosophy utters the mantra of "product first and process next" whereas for the Japanese it's "process first and product next." It is interesting to see that the Japanese companies spend a fare amount of their money and time in studying successful products in the market, the processes being used in building these products and the good and bad about these products. It is important to notice that in the initial phases they rarely invest in research and development, or they don't experiment with ideas. They aim at copying already existing products. What is remarkable about the copies is that they, with very few exceptions, they are better than the original, are cheaper and are of higher quality.

In Japan therefore employment is for the lifetime so as to get "seniority" in the group and there are instances of many generations of the family working for the same company.

The Japanese are known to spend a lot of time and money on defining strategy, training employees before they commence their operation. Following their success on copying, they gradually but slowly climb the value chain by focusing on incremental improvements, innovation and breakthroughs. The Western method on the other hand is investing in ideas and focusing on developing new products.

As a result, Japanese organizations with higher commitment to structured processes are excelling in engineering products. They are exhibiting greater creativity in research areas related to process control than the US organizations which provide a more autonomous environment.

Interestingly, global Japanese companies such as Toyota and Honda are taking the better of the two processes and have emerged as market leaders in their segments. The lesson for Indian companies is to first master the rich indigenous models or methods of managing a business and then venture out to imbibe the best there is in the global marketplace.

Mr. Arunkumar M. Khannur is the Managing Director of Quality Solutions for Information Technology Pvt Ltd, a Bangalore (India) based IT and ITES process and training company.

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In our view, everybody is a potential partner -- until they shoot at us."*- AOL CEO Steve Case.*

Computers are useless. They can only give you answers.*- Pablo Picasso*

You must be the change you wish to see in the world. *- Mahatma Gandhi.*

Walk with those seeking Truth. Run from those who think they've found it. *- Deepak Chopra.*

There are treasures beyond compare in the ocean. If you seek safety stay ashore. *- Sufi saying.*

"Look to this day for it is life, the very life of life. In it's brief course lie all the verities & realities of your existence; the bliss of growth, the glory of action, the splendor of beauty. For yesterday is but a dream & tomorrow is only a vision, but today well-lived makes every yesterday a dream of happiness & every tomorrow a vision of hope." *- The Sufi*

Work is love made visible. When you work with love, you bind yourself to yourself and to others and to God *- Kahil Gibran in the Prophet*

The worst thing to do is to make an incompetent person believe that he or she is competent. The message should go to the person about the reality, though in private, so that he or she doesn't lose face in public," says Murthy. "Communication with the person is very important *- Narayana Murthy, Chairman and Chief Mentor, Infosys Technologies Ltd*

If you control things too tight then nobody can make mistakes and if nobody can make mistakes then you are never going to create anything. You have to trust people to use their freedom well so selection of people in what I call globules or the organizations must be right. However, just like federal political systems function, the headquarters have to keep tight control on a few things and leave the rest to the outposts *- Charles Handy renowned social philosopher*

Branding without advertising

Brand managers managing socially ostracized categories need to reinvent themselves and discover new paths to tread

by Harish Bijoor

T he realm of branding has been inextricably linked with that of advertising. The less you advertise, the less you brand. And vice versa!

It's time to challenge this paradigm in branding then. Do you really still need advertising of the mass media kind to build brands?

My friends in the world of advertising will want to tear my gut out for this outrageous view. What a stupid thing to say! How can you build brands without advertising? And why must you?

The answer is out there, blowing in the wind. Blowing in the winds of change several vibrant categories are facing. In the change signaled by legislation hitting categories of socially ostracized products. Indian society, and indeed the Indian government are fast catching up with the ways of the developed economies of the world.

Several categories of products and services are fast falling into the slot of politically incorrect offerings. Offerings that tend to hurt society at large and health in particular. Take three categories for a start. Cigarette, liquor and Gutkha.

This is indeed just the beginning of a trend that will fast slot more and more products into the category of the politically incorrect offering. Something that can't be banned outright in its consumption (unlike Marijuana), but something that just can't be allowed to be advertised for sure.

My strong contention: brands can most certainly be built without advertising. Most older dominant brands of the day, which reign the roost in the top of the pops brand charts, have been built with very little advertising in the older days. At least very little of advertising of the mass-media kind!

Legislation hitting the Indian shores today, and more that will come tomorrow, will prohibit the use of mass media for many a product. This will be for many a reason. Legislation will progressively inhibit advertising of the product such as cigarettes, liquor and gutkha only to the outlet that sells it. What option does the marketer in these socially ostracized categories have to build a solid brand for the future?

Many really. Look back keenly at the good old way brands were built in the pre-mass-media years. Marketers depended on one-to-one modes of selling. Communication was specific, direct and targeted. The geography was identified, the prospect delineated and then approached. One-to-one marketing is therefore a great tool to reinvent then. Get back to the good old days of working hard in the marketplace to find your customer. Get back to the days of personal-touch.

Mass media advertising wastage, which touches both the prospect and the non-prospect at the same time (remember advertising for your brand of smoke-stick reaches to the man, woman and child in the house alike) will now pave the way for a targeted approach that has no wastage and one that does not cover the innocent category of those you must not touch with the barge pole of your idea.

Point-of-purchase advertising will emerge in a big way then. This is a wonderful way of advertising your brand of liquor in a liquor shop. The view is clear. Anyone visiting a liquor store approaches it with the intent of a purchase. This is a person who already belongs to the category then. There is no coercion of the innocent segment here then. Go for it with vigor.

Get away from the trite old exposure calendars that display many a bust and more, and get into specific forms of intelligent brand communication through the POP route. Intelligent brand messages that track the customer from the point of purchase to his point of actual consumption, and an intelligent networking of the messaging through his lifestyle and habit, are potent tools to use as well.

Direct Marketing will remain a tool to exploit to advantage. Use DM with the creative urge that will yearn to get your brand into the psyche of the consumer.

Events will still hold a sway. Many brands will be able to get away with event sponsorships, just as long as these events cater only to the immediate target segment of the brand.

Viral marketing with the old way of building brands the word-of-mouth way needs to do a comeback. Time to then morph out of the need and want to depend on surrogate advertising for the playing cards, the soda bottle-openers and the apple juice! Time to think of the good old ways of building brands. Time to go back to the Vedas of brand building.

Brand Managers managing these social ostracism categories need to reinvent themselves and discover for themselves new paths to tread. A selective atom bomb has decimated every form of mass-media advertising for you. How would you approach your prospect consumer?
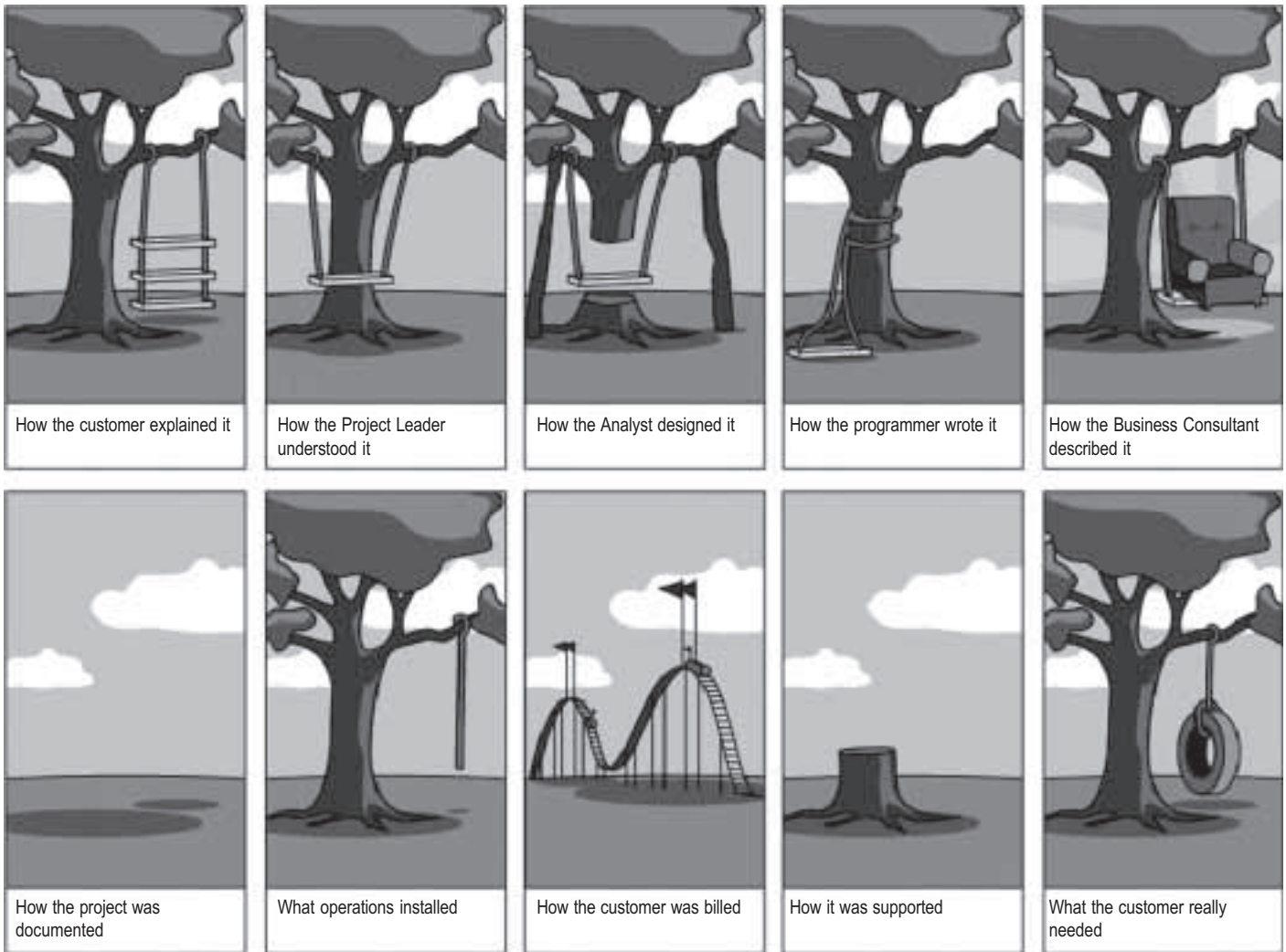
The answer will dawn to you then in many a creative format.

There certainly is life after death! Life after the death of mass-media advertising for your brand!

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

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What customers ask and what they get

How the customer explained it

How the Project Leader understood it

How the Analyst designed it

How the programmer wrote it

How the Business Consultant described it

How the project was documented

What operations installed

How the customer was billed

How it was supported

What the customer really needed

Courtesy **trainiac**

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