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How community participation makes good managers better

Managers today are forced to seek breakthrough ideas and insights from unconventional sources. With NGOs such as Janaagraha pioneering the concept of 'professional volunteering experience' they don't have to go too far to find them

By Ramesh Ramanathan



All of us like predictable rhythms. If you consider the actual time you spend on anything creative in a day, it is very little. Most of our lives are lived in mind-numbing rhythm.

So if you want to be a leader and a free thinker, you should think outside the role that you play. And that will come when you expose your mind to new experiences. That's what participation in civic affairs does. There are no rules here.

The debate that participation is important is easily won. The question becomes important when an executive asks - how can I participate in a practical manner.

One has to make a case for managers to participate in civic affairs at two levels. One is the level that it is almost in your self-interest to participate. The idea that governance is the responsibility of only the government does not hold water any longer.

Now, what managers get back by participating in local governance is as important as what they can give to the society. We are here on an actualization ladder - first, I want to make enough money to survive. Once I make enough money, I then want to become better. Your progress in an organization is a function of how much you want to push yourself to become more effective individually, whether it is leadership skills, communication, visioning etc. It is a progression of self-actualization.

If that is the case, then what are the experiences you are opening up to be able to become better. Your experience in your company is only going to give you a limited set of experiences since the environment is defined by the product or the services the company offers. It is therefore difficult to tell executives to go and try something different. The question on an executive's mind is where do I try something different, and how do I try something different? That is where participation in community services becomes very useful.

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Such opportunities are right there in your neighborhood, if you open up your mind. There's a book called the *Artist's Way*, which talks about how you can open up your mind. Part of it is exposing oneself to unexpected experiences on a daily basis. For example, take a different route to office often.

When you go to a community meeting you will meet people from several walks of life, professions and various levels of frustration. Immediately, the rules that you have been used to do not matter there. Nobody will care what your designation in your company is. You will have to orient yourself to a new set of behavioral experiences. That itself is a great learning opportunity.

We are now living in a globalized world. Everything is changing. What community experience gives is that it throws you into the deep end of uncertainty. After that, what experiences you are going to accumulate will depend on you.

Today, companies are restructuring and pools of people come, complete an assignment and leave. Why, for instance, is movie making such a fantastic business model today? Highly skilled people come together for a certain period of time, complete their task and disappear. Organizations also need to be structured like that.

If that's the future of business, your ability to work with the team or become its leader will not be determined by your job description but your ability to interact with diverse people for seven or eight months. Experience of participation in civic affairs helps executives in dealing with such a context.

It doesn't have to be that every time you have to be a team leader. If you have to be a great leader, you have to learn how to be a great follower. A lot of leadership is about followership.

The third benefit an executive gets is to experience unknown conflict resolution and many of them without any clear answers. Cities usually have limited resources and several claims to it. There's a natural tension and the question is how can you manage that. All these situations that open up from participation come as a feedback loop into you.

The challenge for NGOs today is to attract participation by companies by providing a professional volunteering experience. Unless we can provide this in a tangible way, it becomes frustrating for companies and executives to participate.

Wise companies will realize that platforms like Janaagraha (a citizen's platform in Bangalore) provide innovative training opportunities. Companies should realize the value we are providing which can come as a positive feedback loop back to the company.

The success of professional volunteerism is evident only when participants feel that they've made a difference and they have got something out of it.

The author is the founder and campaign coordinator of Janaagraha, a Bangalore-based citizen-awakening NGO

The future's in the spiral

Executives are often carried away with data or trend that suits them without making an attempt at knowing the other side of the coin. They often take a linear view of the world without realizing that it does not exist. What is needed in understanding the future, according to R Gopalakrishnan, vice chairman, Tata Sons, is that the world, business, human body and even the planetary system function in a spiral format.

Gopalakrishnan uses the metaphor of a fly to make his point. The fly approaches any object in spirals and circles because its eye is made up of thousands of tiny, hexagonally packed facets. It sees the same tiny image in each facet, instead of one large image as we do. As the fly approaches an object, the image shifts slightly in each facet. In response, the fly shifts its body so that the image remains fixed in its original place in each facet.

As the distance to the object becomes shorter, the angle of approach remains constant. Thus, the path produced is made of segments whose arcs are identical, only different in size - tracing the spiral approach to the object.

The spiral vortex signifies five key ideas for managers.

- To understand the nature of the future, one needs to understand the patterns
- The straight line is not the common pattern, it is the exception
- Near the eye of the spiral, it gets very turbulent
- There is a narrow and calm eye, surrounded by a turbulent universe
- You never quite reach the eye, you only approach it



Now, how is this relevant to turbulence that businesses face? Talking on 'Winning Strategies for the future' at Mumbai recently, Gopalakrishnan said 'values' are at the vortex. Even if we live with chaos and uncertainty, we should remember that our journey is towards the vortex - the calm eye of the center, which represents the values we stand for.

"This causes us to enquire what is the purpose of our managerial actions, the purpose of our business. The great and more satisfying thing in life is a sense of purpose beyond oneself. This provides the values aspect of coping with turbulence. If the purpose is only for yourself, it rapidly dissipates."

Our training in management causes us to learn ways to produce order and consistency: in quality, profitability, planning process. These are important and necessary, but not sufficient. The task of leadership is to disrupt such attempts at stability through sensitive chaos. If in addition to having the technical tools to cope with turbulence, the organization's leadership values principles more than it values its companies, the organization perhaps has the best chance to survive and grow for the long term.

Strategy is within you: Nikhil Sen

Nikhil Sen, COO of Britannia Industries, has come up with a powerful strategy mantra that could make him unpopular among the bevy of consultants and researchers who depend on Britannia for their bread and biscuits.

"To be successful," he says: "we got to have the ability to introspect. And if we are sensitive and intuitive we come out with the strategies that are best for us. Don't look outside. Most of the solutions come from inside. You are the experts of business. It's important to have the courage and fortitude to trust yourself."

At the end of the day to be successful products got to have relevance Sen said while addressing marketers and advertisers recently. "The only thing that is permanent in the markets today is change. Yesterday's formula will not work for today and today's formula's are not secrets of success for tomorrow. That's something we've learnt, sometimes at great loss to the organization, like Britannia."

"In the last five years, especially in the FMCG sector, we have been able to end up taking a lot more from the consumer's purse through options that are exciting and specific marketing strategies for each consumer subset."

On how Britannia made its makeover, Sen said: "Five years ago Britannia was seen as a traditional and trusted brand and we wanted to change that. Today from the level we weren't even in the first 10 brands in the country and today we are probably the second most trusted brand in the country. This was possible because we could offer relevance to the consumer. As we go forward and as the market evolves it's going to be more challenging. What is needed is specific strategies relevant to each group of consumers."

Why brand managers should know history

Who said that studying history is futile or irrelevant for brand managers. According to Professor S Ramchandar, director of the Institute for Financial Management & Research, Chennai, there's an interesting resemblance between the brand map of India and its historical map of 1950.

Ramchandar shows that the princely states under the British Raj, especially the Nizam State of Hyderabad, have distinct culture, food habits and thinking and hence the brands that are popular in the rest of India are almost unknown here and vice versa. Also, the middle part of India, derisively called the cow belt or the BIMARU (Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh) states, has unique brand preference not shared by the other parts of the country.

The BIMARU states is almost the same as the original empires that existed between 300 BC and about 600 AD. Everything we now do goes back to many centuries.

What we need here is a behavioral model of each category we operate in. This model tells us, for example, a car is a different to an American, a Swede and to an Indian. This kind of thinking is important for marketers to understand the categories.

There are three traps in our mindset. The trap of treating marketing as if it was Physics. The second is the customer trap - the complete understanding of the consumer is feasible. The third is the control trap which is if you can predict something, you can control it, if you can control it, you can monitor it. Stay away from them.

The buzz word is doing things differently and thinking differently my contention is neither is possible unless you train yourself to see things differently. And to see things differently you need to shed the baggage. Build your own model.

Looking at the diversity of choice of brands the Indian market should be viewed as one sees the European markets. "Anything you say about the Indian consumer, the opposite is always true," he says referring to the complexity faced by marketers.

Who said social investing doesn't pay

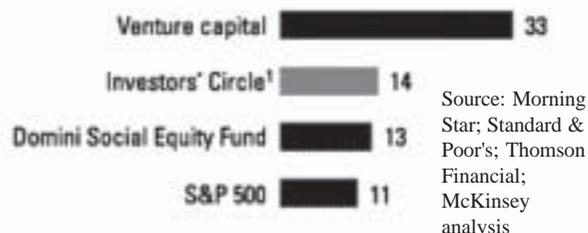
A recent study on return on investment in the US has produced some surprising results: over the ten-year period 1992-2002 it examined, a portfolio of investments, defined as socially responsible, generated returns of 8 to 14 percent. That is lower than the rate typically earned by "angel" investors-wealthy people who make direct equity investments in entrepreneurial ventures, usually at an early stage.

Socially responsible businesses sacrifice financial returns

to pursue social or environmental objectives; that much is known. Just how much of a trade-off they make has always been unclear, however, and evidence from the capital markets is inconclusive. Strategy+business magazine, published in the US, studied investments made by members of Investors' Circle,

Doing good does well

Returns for selected portfolios, Jan 1992–Dec 2001, %



a US-based network of angel investors who put their money into companies they view as socially responsible. Representative investments include Earth's Best, an organic baby-food manufacturer recently acquired by HJ Heinz, and Sonic Innovations, a manufacturer of low-cost hearing aids.

Since Investors' Circle doesn't manage the investments centrally, its members were keen to know whether the aggregate returns from such a portfolio of companies were competitive with those from other angel-investment opportunities. In a survey, 77 percent of the group's members said that they expected returns of at least 10 percent, but the majority would accept a "social discount" in exchange for social or environmental benefits derived from a company's business.

To determine how large a discount, the researchers gathered information on 110 of the 128 companies financed since the organization's founding, in 1992. They then used the data to build a portfolio that covered the ten-year period from 1992 until the end of 2001. Instead of analyzing the actual returns of individual investors, they used standard investment and current-valuation data.

Although our portfolio's performance fell short of typical venture capitalists' returns during the same period, it was comparable to the returns of the Domini Social Equity Fund, which describes itself as "the oldest and largest socially and environmentally screened index fund," and of the S&P 500. The track record of the 110 Investors' Circle companies that were studied is a promising indication that social-purpose ventures can generate financial returns that meet investors' expectations.

Although the study is too small to make sweeping claims about early-stage social investing, it does present a methodology and a set of results that can aid others looking for both a financial and a social return on their investments.

The Toyota Way

The GE Way has so far caught the imagination of business leaders and management students. It's now the turn of Toyota, which has shown the world what it takes to consistently outperform even during downturns.

In *The Toyota Way: 14 Management Principles from the World's Greatest Manufacturer*, Jeffrey K. Liker takes the reader vividly through the success story of Toyota. The Toyota Way is the first book for a general audience that explains the management principles and business philosophy behind Toyota's worldwide reputation for quality and reliability.

In factories around the world, Toyota con- the fewest defects of any competing manu- on-hand inventory, and half the floor space

Dr. Liker, a renowned authority on adopt these principles--known as the Toyota improve the speed of your business processes, costs, no matter what your industry.

Dr. Liker shares his insights into the foun- ture. He explains how the Toyota Production facturing excellence, transforming businesses fosters employee involvement at all levels, process improvement and Toyota's Lean improvement, and learn why companies often think they are Lean--but aren't.



sistently makes the highest-quality cars with factorer, while using fewer man-hours, less of its competitors.

Toyota's Lean methods, explains how you can Production System or Lean Production--to improve product and service quality, and cut

dational principles at work in the Toyota cul- System evolved as a new paradigm of manu- across industries. You will learn how Toyota discover the difference between traditional

The fourteen management principles of the Toyota Way create the ideal environment for implementing Lean techniques and tools. Dr. Liker explains each key principle with detailed examples from Toyota and other Lean companies on how to: Foster an atmosphere of continuous improvement and learning; Create continuous process flow to unearth problems; Satisfy customers (and eliminate waste at the same time); Grow your leaders rather than purchase them; Get quality right the first time and Grow together with your suppliers and partners for mutual benefit.

The book guides: How to double or triple the speed of any business process; How to build quality into workplace systems; How to eliminate the huge costs of hidden waste; How to turn every employee into a quality control inspector and How to dramatically improve your products and services!

Why service orientation is a must for India

If you look at Maldives and Mauritius they are tourism economies. Singapore and Dubai are also services economies. When you talk about the country of the size of India you need to have a service orientation in whatever you do, said Dr V Raghunathan, president, ING Vysya Bank Ltd and former professor at IIM (A).

"To me if the loo stank your service was lousy. No matter what you did if you did it with the potential user of that facility then you are service oriented."

In a recent lecture organized by the Bangalore Management Association he said: "It doesn't matter if you have a good product. You need to have a service orientation. Service orientation is no longer about efficiency. For example, bringing down the time for opening an account from 20 minutes to 10 minutes is no longer an example of superior customer service. One has to think differently about what they are up against. For example, competition to banks now is coming from cell phone companies. Services companies are now facing competition from unexpected quarters."

You now have to look at service as one integrated activity, not restricting to just delivering the main service. This is where India has to do better.

India cannot merely ride on the shoulder of six IT companies. In any case the total turnover of Indian IT companies is under two percent of the global IT turnover. India has a long way to go. India has started talking of shining too early.

Indian is too easily compared with China these days. Although China does not have a strong financial services sector, its service orientation is of a much higher order.

In fact services are one thing that need not be marketed. If your services are good it will take care of a good deal more. Good product and good service have to go in tandem.

Is Infosys' concept of innovation sustainable?

Innovation guru Clayton Christensen of the Harvard Business School makes an interesting distinction between sustaining innovation and disruptive innovation. Companies pursue sustaining innovation when they pander to established customers in existing markets by offering a better-performing product or service. In this context can Infosys sustain its big success run with its current innovation strategy?

Disruptive innovations on the other hand allow relatively unknown companies to leapfrog the competition and dislodge comfortably ensconced market leaders (Dell for example). In an interview to *Business Standard* Christensen says: "Infosys' business model is disruptive relative to the IT services industry in North America and Europe." Infosys' Global Delivery Model (GDM) was disruptive in its framework for distributed project management, the ability to deploy multi-location, multi-time-zone teams to execute projects efficiently and at low cost. Like all disrupters, Infosys moved up the value ladder by deploying the model better, faster, more efficiently and in more areas. The company is now gearing up for the next level, a new initiative called Thousand Board-Room Consultants.

Says Christensen: "It's exactly the right strategy for Infosys to follow. It does have to move up the ladder. However, while the move to create Infosys was a disruptive innovation, all the improvements in Infosys' ability to execute faster, better and more complicated IT solutions are sustaining innovations. As it moves up the ladder and becomes more and more integrated, Infosys needs to create something that has a proprietary interdependent architecture inside its product offering. Only that will allow Infosys to unleash a disruptive product or service that will become its ticket to the club of global IT companies."

Christensen points out that there are two kinds of disruptive innovations: new market disruptions and low-end disruptions. New market disrupters create a new market for a product or service by making it so affordable or convenient that a whole new set of customers is born. Low-end disruptions, on the other hand, are disruptive innovations based on low-cost business models. Mini-steel mills, discount retailers like Wal-Mart, and on-line book sales on Amazon.com are disruptive ideas, but based on wooing away the least attractive of the incumbents' customers.

Low-end disruptions may help make money, but they seldom generate the kind of traction Infosys needs to become a global powerhouse. Explains Christensen: "Low-end disruption is a temporary solution. It's only viable as long as there are high-cost competitors. However, with new-market disruption, a company can keep going. And going." Until now, Infosys has shown little signs of becoming a new-market disrupter. "It has yet to demonstrate the ability to bring sophisticated services to a new set of people who didn't enjoy them before," points out Christensen

Reacting to Christensen's views Mr. Narayana Murthy, Infosys' chief mentor says: "In a way, Christensen is right; we are playing the low-cost disruption game. But I would prefer to call it value-disruption."

There is a very real danger that Infosys will remain so caught up in its success that it will continue focusing on sustaining innovations - and fail to hunt for the next big disruptive idea.

Says Christensen, "Innovations aren't inherently sustaining or disruptive. Companies make a strategic choice when they use innovations for disruption."

Innovate, don't rail against outsourcing: Bill Gates



Bill Gates, the chairman of Microsoft, has warned the developed world against dismantling free trade in a knee-jerk reaction to increasing competition from the burgeoning Chinese and Indian economies.

Speaking in London recently Mr. Gates said Britain and the US had to innovate rather than turn away from globalization. Mr. Gates said: "If we are not realistic about what we are good at then there is a chance of going backwards in the face of further competition. Innovative companies need to look at which things they should do offshore and what they should do at home.

"We all win when nations become richer," Mr. Gates said, although he conceded that it was sometimes difficult to convince ordinary workers of the longer term benefits of outsourcing.

Despite its huge population China is ruthlessly pursuing improvements in productivity and efficiency, he noted, predicting that in 30-40 years China will overtake the US as the most important economy, while India's technology outsourcing industry is already attracting the attention of other developing nations.

Alan Greenspan, chairman of the US Federal Reserve, echoed Mr. Gates' remarks, saying: "The consequences of moving in that direction [of protectionism] in today's far more globalized financial world could be unexpectedly destabilizing."

Can best practices replace good strategy?

Organizations are herding mindlessly to adopt best practices manuals and standards without realizing that they are doing this at high cost to their strategy. Only those who buck this trend will succeed



By Sean Narayanan



Best practices are key knowledge assets. They are the most effective tools today for increasing a corporation's efficiency, productivity and earnings. A case in point is the US automobile industry, which adopted Japanese manufacturing techniques and processes to transform itself during the 1980s.

To remain competitive and define positioning, it is essential to adopt industry practices and standards. It's also important to benchmark against competitors and leaders to understand where one stands vis-à-vis industry norms.

However, adopting best practices is not an easy task. Rapid technology obsolescence and constantly changing market dynamics require constant re-invention. There is also the cost of adopting a practice, in terms of time, implementation costs, and so on, and organizations are under constant pressure to justify this cost by measuring the benefits they can realize. There is also the additional need for broad-based acceptance of a practice before its true value can be realized. By their very definition, best practices imply "widely accepted industry standards".

There is, however, a downside to blind espousal of best practices. Research indicates that widespread adoption of best practices kills differentiation, thereby killing industry margins in the long term.

'Strategic herding' occurs as firms cluster around the same differentiators. Much like the use of CMM by

software firms in India or the use of ISO 9000 certification by the manufacturing sector. In both instances, firms used the certifications as strategic differentiators instead of best practices.

Firms very often prefer to follow the leader rather than create a niche for themselves. This is common in product design, common price points and solutions clustering around practices followed by market leaders. It is evident now that the spurt in such clustering is eroding brand equity and its innate distinguishing characteristics. This has also compressed opportunities and margins, affecting the industry as a whole.

It is therefore important for organizations to understand best practices and deploy them at the operational or process levels, but in no case as a substitute for strategy. Best practices need to be aligned with a firm's strategy.

There are several examples of firms that have successfully bucked the herding trend and spearheaded innovation - a key part of their strategy. Café Coffee Day in India transformed the coffee drinking experience, despite skepticism over whether Indian customers would be willing to pay six times more for a cup of coffee.

Another example is Southwest Airlines, which managed to grow at a rate seven times the industry average in an era of overcapacity and flat demand. It did so by breaking ranks with the other airlines to target a customer segment that, while being price-conscious, cared more than the other price-sensitive customers about the quality of the flight experience.

Cognizant Technology Solutions pioneered the Fourth Generation Outsourcing Model by focusing on client relationships and partnerships right from the beginning. Cognizant's customer-focused strategy paid off. The firm has grown phenomenally from being a US \$1.7-million company with 150 employees in 1994 to a \$368-million organization with over 9200 employees in 2003. Cognizant was the fastest growing offshore IT services company in the industry in 2003.

In sum, strategy is much more than a blind adoption of best practices. Knowledge strategies and best practices need to be aligned with, but not replace, organizational strategies.

As Mark Twain had rightly pointed out: "We should be careful to get out of an experience only the wisdom that is in it - and stop there; lest we be like the cat that sits down on a hot stove lid. She will never sit down on a hot stove lid again."

The author is a Director with Cognizant Technology Solutions.

The article is an abstract from a presentation made at a Bangalore Management Association organized conference in February 2004.

Groom your own champions

If you are planning to become a global company, HSBC offers some valuable tips on how to build an international cadre of managers, says Rajat Gupta



If Asia is to become a true economic superpower, it MUST create globally successful companies. Our research shows that only 3 of the 59 global champions are Asian companies, namely, HSBC, Samsung Electronics and LG Electronics.

Leading consultancy firm McKinsey's research shows that the journey to global championship involves three key elements. Working out the

winning formula; grooming a global cadre of executives and mastering the matrix organization.

Working out the winning formula requires a staged build-up of capabilities and matching them with markets. You start with your existing capabilities in your home market, build related new capabilities and pick market segments aligned with these capabilities. In the next stage, you once again build related new capabilities and pick further market segments aligned with your capabilities. Basically, what this means is that capability development should lead market development.

Let me give you the HSBC example. HSBC's initial capability platform was a strong trade finance network in commercial banking, the ability to leverage its access to low-cost deposits in private banking and tight functional cost control. It used this to develop a strong base in Hong Kong and South-East Asia in the late 80s. It further strengthened and leveraged its capabilities to expand further into Europe and the Middle East.

Second, you need to develop a cadre of global executives from within your organization, who can seamlessly operate in multiple markets and transfer capabilities across borders - executives who not only spot opportunities across markets but also marshal resources to capture them. Most successful companies have realized the importance of having this cadre of global executives and have also seen that over-reliance on talent from outside is not very helpful.

To develop this cadre and to groom their global executives, global champions follow a systematic executive development program. For instance, the 'International Manager'(IM) program of HSBC has five components:

- Globalizing recruitment (tapping international sources for talent). HSBC recruits from top universities and has made deliberate decision not to hire top graduates since the bank

wants team players rather than 'stars'.

- HSBC offers globally competitive compensation to expatriates. Its compensation structure is based on cost of living indices. However, its IMs are compensated 1.5 to 3 times higher than local managers in the same geography.
- Globalizing job rotation and mobility - allowing exposure to multiple functions/geographies. Global mobility at HSBC is extremely crucial for international managers, who are expected to be ready to move within a week or month's notice.
- Globalizing training - having a common training program across geographies. HSBC has a mix of formal (for technical) and informal (for soft issues) training. Its development programs involve significant amount of global networking.
- Managing career tracks - conducting regular development plan discussions. HSBC makes a strong differentiation between international managers and locals. It has faster rotation and advancement for the former. Compensation and post-retirement benefits are used as 'golden handcuffs'.

Companies, therefore, need to move from a 'going global' to a 'becoming global' mindset. This involves shifts along each of the three key areas of the globalization journey.

Most organizations believe that you can go global by selecting attractive markets and acquiring leading players or trophy assets. Our research shows you need to secure your home markets first, develop world-class capabilities, and then select markets that leverage these capabilities.

Most organizations believe that the formula for creating leaders is to hire experienced locals, pay them high salaries, and promote superstars. Our research says - "sure, you can hire a few experienced locals, but you need to groom executives from within organization, who will be your trusted lieutenants."

Most organizations believe that they should set up an international division to handle all international efforts and eventually move to a global organization, and cultural issues 'will remain' so leave them alone. Our research shows you must quickly move to a global organization structure and implement strong integration processes.

I would urge you to go ahead and break the 'going global' mindset and think about 'becoming global' so that Asia can create some global champions and become a true economic superpower.

Abstract of Mr. Rajat Gupta's paper presented at AdAsia 2003 at Jaipur in November 2003. Mr. Gupta is Senior Partner with McKinsey & Company.



Ten Great Ways To Crush Creativity

Although many CEOs recognize the value of staff creativity they often fail to put in place training or processes to make this happen. Worse still, they may be blissfully unaware that they actually stifle their peoples' creative potential.

By Paul Sloane

Mistake One: Criticism

A natural reaction to any new idea you hear is to criticize it. Decca Records turned down the Beatles, IBM rejected the photocopying idea which launched Xerox and various major publishers turned down the first Harry Potter novel. The same thing is happening in most organizations today. New ideas tend to be partly formed so it is easy to reject them as 'bad'. But bad ideas are often excellent springboards for good ideas - within them there are concepts we can adapt to make into workable innovations.

Mistake Two: Neglecting brainstorming

Brainstorming is seen by some as old-fashioned, but good brainstorming remains one of the best ways of generating fresh ideas and involving staff from all levels. Your brainstorming sessions should be short and have a high energy level, with a clear focus in order to generate a large number of ideas. Each session should be chaired by an enthusiastic facilitator who encourages the flow of ideas.

Mistake Three: Problem hoarding

There is a macho concept that directors and senior managers should shoulder the responsibility for solving all the company's major problems. There is a fear that if people at the grass roots knew some of the strategic challenges the organization faces then they would feel insecure and threatened. But people lower down the organization are often closer to the customer and they can see what is working and what isn't. If you involve them you will find a rich source of new ideas and a shared sense of purpose.

Mistake Four: Efficiency over innovation

It is natural for managers to focus on improving the current business model. But if we focus entirely on making things better then we can miss the chance to make things different. If you were sending messages using semaphore flags then you needed to learn SMS text messaging rather than improve the efficiency of your flag waving. You have to improve the current process while looking for new methods of delivering value to customers. An exclusive focus on efficiency is a dangerous blinker.

Mistake Five: Overworking

Often allied to the focus on efficiency is a culture of long hours, with the mistaken belief that hard work alone will solve the problem. But as Edward de Bono says, 'You cannot look in a new direction by looking harder in the same direction.' If you are trying to solve a problem by focusing on one way of doing things, how can you find time to try new ways of reaching your goals?

Mistake Six: 'It isn't in the plan'

'We cannot try that idea because it is not in the plan and we

have no budget for it.' Organizations that plan in great detail are placing themselves in a straitjacket, limiting themselves to a vision of the world as the planners saw it. Markets and needs change so quickly that the view we had last week can be out of date today.

Mistake Seven: Laying the blame

A culture of blame for failure is a sure-fire way to halt entrepreneurial spirit in its tracks. Most innovation projects will fail but they are still worthwhile because it is only by trying them that you can determine which ideas are duds and which are winners. Edison had thousands of failures in his experiments which resulted in the invention of the electric light, but he believed, 'They were not failures, each one taught me a new way which did not work.'

Mistake Eight: Outsourcing change

Consultants can provide many useful skills and by looking at your business as an outsider they are not bound by the assumptions and beliefs that you hold. But the risk is that if you hand over all responsibility for conceiving and implementing new methods, products or processes to external consultants then very few people in the organization feel ownership. Consultants should be used as catalysts to innovation, whilst involving many staff early in the project to get their ideas and input.

Mistake Nine: Giving innovation projects to production units

New products or services are like seedlings which should be kept in the greenhouse until they are stronger and not left to fend for themselves. The regular business manager is too busy meeting his monthly deadlines and targets to give the prototype business the attention it needs. It is better to put the seedlings in the care of a special department, sometimes called an incubator that has different goals and objectives, working to a longer schedule and headed by an innovation director who has clout in the organization.

Mistake Ten: No training

Can creativity be taught or is it a rare talent possessed by a handful of gifted individuals? The answer is that every one of us can be creative if we are encouraged and shown how to do it. We were all imaginative as children but gradually most people have their creative instincts ground down by the routine of work. With proper training people can develop skills in questioning, brainstorming, adapting, combining, analyzing and selecting ideas. They can be the innovative engine your organization needs.

Paul Sloane was Managing Director of Ashton-Tate and CEO of Monactive. His new book, the Leader's Guide to Lateral Thinking Skills, is published by Kogan Page. <http://www.destination-innovation.com>.

Leadership and Change

Washington Post CEO Offers Up the Secrets of a Successful Media Company. At last week's 2004 MBA Media and Entertainment Conference, keynote speaker Donald E. Graham, chairman and CEO of the Washington Post Company, gave two reasons why he was an odd choice to deliver the address.

First, a self-described "third generation inheritor of a 19th century business," his professional experience hardly reflected the entrepreneurial aspirations of members of the audience. And second, he said, "There are several trends in the media industry, of which the Washington Post Company participates in zero." One trend the company particularly eschews is Wall Street's obsession with quarterly earnings.

<http://knowledge.wharton.upenn.edu/article/943.cfm>

Operations Management

It's Time to Talk Sense About Outsourcing, Gregory Mankiw, head of the White House Council of Economic Advisors, ignited a firestorm of debate this month when he said outsourcing of U.S. jobs is probably a good thing in the long run.

As tends to happen with hot-button issues in presidential election years, sensible discussion of this question was soon drowned in an uproar of political posturing. Experts at Wharton and the Boston Consulting Group point out that outsourcing is as old as the corporation. Increasingly, sourcing work overseas is no longer a tactical option that can help firms save a few dollars here and there; it is a strategic necessity for any company that cares about its long-term competitiveness.

<http://knowledge.wharton.upenn.edu/article/939.cfm>

Future Value: The \$7 Trillion Challenge

Outlook Journal, February 2004

Nearly 60 percent of the aggregate value of the US stock market is based on investor expectations of future growth. And because this future value tends to be concentrated in industries and companies that are built on intangible assets, it is critical to find better ways to recognize, report and manage these assets.

As if CEOs didn't already have enough headaches trying to make their quarterly and annual numbers, these days many of them are also under increasing pressure at the longer-term end of the spectrum—in the form of investor expectations about future growth. Indeed, the whole issue of "future value"—that portion of a stock's price that does not depend on current operating performance but rather on the company's anticipated growth—is one of mounting concern to C-level executives faced with the task of delivering share-price performance in a difficult economic climate.

<http://www.accenture.com/xd/xd.asp?it=enweb&xd=ideas\outlook>

Supply Chain and the Bottom Line: A Critical Link

Supply chain excellence is directly tied to a company's financial performance. Which is why top performers incorporate supply chain management into their business strategies.

For computer maker Dell, the supply chain is "the biggest leverage point we have," in the words of one executive. At global clothing manufacturer and retailer Zara, "the supply chain is the business model," notes one observer. And an executive at Hong Kong-based global trading group Li & Fung opines that "customer value lies in our ability to architect and operate supply chains."

These observations may not, in fact, be typical of most companies. However, they do reflect the experience and insights of more and more of today's successful businesses: A correlation exists between an organization's financial success and the depth and quality of its supply chain. That connection—supply chain excellence directly linked to financial performance—is a key finding of a major study undertaken by a team of researchers from Accenture, Stanford University and INSEAD working with hundreds of companies in Europe and North America.

<http://www.accenture.com/xd/>

A Better Way to Make Branch Banking Pay

For today's consumer banks, reinventing local branches as a hub to attract and retain customers is essential to profit and growth, Booz Allen Hamilton research shows that up to 90 percent of customer relationships are won or lost in branches.

Banks spend heavily on CRM systems to predict customer defections, but a vigilant branch staffer can just as effectively keep customers from leaving.

But can the large retail banks revive the branch system without letting it become a costly drag on their profits? Absolutely, but only if they reinvent the management model so it can profitably deliver what demanding consumers expect: choice, convenience, and customization. In the customer-centric, "federation" business model we propose, the branch is the hub of an integrated multichannel banking framework designed to maximize local responsiveness.

In one recent client study, Booz Allen found that 90 percent of a super-regional bank's new customers were acquired in a branch. Equally important, almost all accounts were closed at a branch, suggesting that branches can be a first line of defense in retaining customers.

Customers often provide predictable clues before they close their accounts: In our study, some made accelerated loan payments or sold an investment property; others complained about the branch operations. Banks spend heavily on customer relationship management (CRM) systems to predict customer

defections, but a vigilant branch staffer can just as effectively use the personal touch to solve a problem and keep a customer from leaving.

It is not enough for retail banks simply to open up more branches that run like existing ones or to redesign them to resemble hip retail stores. The successful branch bank of the future must:

<http://www.strategy-business.com/enewsarticle/>

Are You the Weakest Link?

Michael E. Raynor , Dwight Allen

Industry value chains are ever evolving, and understanding your place in the chain can mean the difference between dominance and decimation. The upheaval taking place in the TV industry illustrates why it's critical to understand the dynamics of value chains--no matter which industry you operate in.

"Value chain" indicates the processes that support a product's creation and distribution, as well as the components of the product itself. And because what's most critical to customers tends to change over time, an industry's value chain is also constantly in flux. Reconfiguring your company's value chain to address those shifts will help sustain the dominance of your business.

<http://harvardbusinessonline.hbsp.harvard.edu/b01/>

Do You Know When to Walk Away?

Max H. Bazerman

In a wide variety of negotiation settings, including labor strikes, custody battles, and mergers and acquisitions, people and organizations have a tendency to escalate irrationally their commitment to a chosen course of action. Read about how to recognize competitive traps so that you can reframe the situation into one that's less competitive, more cooperative, and ultimately more rewarding-financially and psychologically-for everyone involved.

Harvard_Business_Online@hbsp.ed10.net

India: Why Fiscal Adjustment Now

Brian Pinto, and Farah Zahir

India's growth performance has been impressive over the past two decades. But its sustainability has been in question, first with the 1991 fiscal balance-of-payments crisis, and then again after 1997-98, when fiscal deficits returned to the 10 percent of GDP range and government debt grew further.

Pinto and Zahir analyze the deterioration in India's public finances and present evidence suggesting that, in the absence of a fiscal adjustment, low inflation and high reserves may

have been pursued at the expense of long-run growth and poverty reduction. Resolving this inflation-external vulnerability-growth policy "trilemma" requires fiscal adjustment. In making their case, the authors show, first, that fiscal fundamentals have weakened after 1997-98 even when compared with the pre-1991 crisis period. This has continued in spite of the recent record lows in interest rates.

Second, the fiscal stance is not conducive to long-run growth and poverty reduction because capital spending has been cut to accommodate higher interest payments and other current spending, with expenditures on the social sectors stagnating.

Third, without a fiscal adjustment, the debt burden is likely to reach unmanageable levels by the end of the Tenth Plan period. In contrast, a phased adjustment beginning now and focusing on a relatively small set of reforms is likely to improve debt dynamics substantially over the same horizon, while also promoting faster growth and poverty reduction.

This paper-a product of the Poverty Reduction and Economic Management Unit, South Asia Region-is based on the macro-fiscal chapter of "India: Sustaining Reform, Reducing Poverty," a World Bank Development Policy Review released in July 2003.

<http://econ.worldbank.org/view.php?type>

When is Growth Pro-Poor? Cross-Country Evidence

Aart Kraay, February 25, 2004

Growth is pro-poor if the poverty measure of interest falls. According to this definition there are three potential sources of pro-poor growth: (1) a high rate of growth of average incomes; (2) a high sensitivity of poverty to growth in average incomes; and (3) a poverty-reducing pattern of growth in relative incomes. Kraay empirically decomposes changes in poverty in a large sample of developing countries during the 1980s and 1990s into these three components.

In the medium to long run, most of the variation in changes in poverty can be attributed to growth in average incomes, suggesting that policies and institutions that promote broad-based growth should be central to the pro-poor growth agenda.

Most of the remainder of the variation in poverty is due to poverty-reducing patterns of growth in relative incomes, rather than differences in the sensitivity of poverty to growth in average incomes. Cross-country evidence provides relatively little guidance as to the policies and institutions that promote these other sources of pro-poor growth.

This paper-a product of Investment Climate, Development Research Group-is part of a larger effort in the group to better understand pro-poor growth.

<http://econ.worldbank.org/view.php>

Get Me Rewrite: how the BBC mishandled Its own crisis



The chairman and the top executive are gone, having resigned to deflect criticism from the organization and take responsibility for its mistakes. A high-profile staffer has left, too; whether he was forced out or volunteered to go remains unclear. A 740-page report by a senior judge has detailed a raft of errors. And a sterling reputation may have been tarnished by accusations of shoddy work and a lack of professionalism.

Enron? Arthur Andersen? Tyco?

ImClone Systems?

No, it's the British Broadcasting Corporation - known affectionately as the "Beeb" to millions of Britons. And the publicly chartered company, which broadcasts via television and radio and is funded with a tax on televisions, is embroiled in the biggest management crisis in its 80-year history.

Experts in business and journalism are split over whether the controversy will do long-term harm to the BBC's reputation for credible, balanced news reporting. But they agree that the broadcaster, like companies lately facing ethical crises in the United States, could have limited the damage by better handling the early stages. Instead, the BBC compounded its woes by publicly rushing to defend a report by one of its staffers before adequately assessing that report's accuracy. When it was proved wrong, the organization was left, at best, embarrassed and demoralized.

"What's happened is unprecedented," says Patrick Barwise, professor of management and marketing at the London Business School. "This is the first time the BBC has lost its chairman and director general. The BBC is a very strong and trusted brand, but it screwed up on some aspects of this story, and that hasn't been good for its credibility."

In May, a BBC reporter named Andrew Gilligan said on an early morning radio broadcast that the government of Prime Minister Tony Blair "probably knew" that its assertions, before the Iraq War, that Saddam Hussein had weapons of mass destruction were incorrect. Gilligan also said that the Blair government had "sexed up" its allegations in a publicly released dossier that it used to bulwark its case for going to war.

The Blair government reacted with fury, repeatedly lambasting the BBC and eventually calling for an independent investigation by senior judge Lord Hutton. The source of Gilligan's story was later revealed to be David Kelly, an arms expert for the British government. Soon after the revelation, Kelly committed suicide.

Hutton published his report last month in which he accused the BBC of sloppy reporting and weak editorial oversight. He said the broadcaster redoubled its errors by scurrying to defend Gilligan without verifying the facts of the story. He also exonerated the Blair government and the British intelligence service, saying, in essence, they did the best they could with the information they had and didn't intentionally mislead the public.

Within days, the chairman of the BBC's board of governors, Gavyn Davies, had resigned, as had its director general, Greg Dyke. The BBC also apologized publicly - twice. It had previously announced that it was changing some of its editorial policies to ensure that an incident such as this one wouldn't recur.

Since publication of Hutton's report, British polls have shown that a larger percentage of the public still trusts the BBC more than the Blair government. And Blair opponents have continued to call for his resignation because of his support for the Iraq War, which is unpopular in Britain.

In a written commentary released by the London School of Economics, Patrick Dunleavy, a political-science professor, called Hutton's report "a complete whitewash. The basic facts underlying the whole row between the government and the BBC have essentially confirmed the erroneous nature of the government's [weapons of mass destruction] intelligence and the extraordinary inaccuracy of the government's published dossier. Hutton treats this as incidental, something which for many people will not seem an entirely rational thing to do."

Regardless, the BBC could have handled its part of the crisis better, says Martin Conyon, a Wharton management professor and a U.K. native who earned his doctorate at the University of Warwick. "If politicians start attacking you, the natural reaction is to come out fighting and to support your people at all costs. But that also strikes me as an inappropriate way to handle this" from a management point of view.

"You want an environment in which employees feel supported so they can do their tasks," Conyon adds. "But when there was an accusation that Gilligan was involved in slipshod journalism, the BBC's response should have been, 'Until we understand the full facts, we are supporting him. But if he has breached our codes, appropriate disciplinary procedures will be brought.'"

In fact, Gilligan may have violated BBC guidelines, according to Dick Wald, a journalism professor at Columbia University and a former news executive with NBC and ABC. "The BBC had a rule that said you shouldn't ad lib in important stories. When Gilligan said, 'Probably knew,' it was an ad lib, and it was wrong. The chances of getting it wrong would have been enormously diminished if he hadn't been winging it a little bit on the air." Many broadcast companies have rules that require editors and producers to approve scripts for sensitive stories and reporters to stick to those scripts, Wald adds.

Like Conyon, Wald says the BBC should have taken time to figure out who was right before responding. "The first rule in any crisis is to understand what happened." If you're a media outlet and you learn that you're wrong, "the second thing you do is make a correction and try to make the matter disappear as quickly as possible. Then you try to ensure it never happens again. Of course, human beings always invent a different way of screwing up."

Failing to abide by their own ethical guidelines often gets organizations in trouble, says Michael Useem, a Wharton management professor and director of the school's Center for Leadership and Change Management. People often know what they're supposed to do; they just fail to do it.

Take Enron, perhaps the most prominent recent example of corporate chicanery and management shortcomings in the United States. Useem says that the Houston energy-trading company had to suspend its code of ethics when it approved the first off-the-books partnership proposed by then-CFO Andrew Fastow. The problem was that employees who reported to Fastow sat on both sides of the table when the partnerships negotiated with the parent company. The board therefore required that a deal memorandum signed by two top executives be prepared before any transaction between one of the partnerships and Enron. In fact, what happened, says Useem, "was that, in many cases, the deal sheet was never signed or even filled out until after the transaction was over. It's like the BBC: It sounds like they had good procedures, but they weren't carried out."

Useem, too, believes that the BBC responded too slowly to the initial complaints about Gilligan's report. In doing so, it missed an opportunity to enhance its credibility and stature, he argues. Organizations, like people, can distinguish themselves by their conduct in a crisis.

Perhaps the most famous example in American business is Johnson & Johnson's handling of the famous Tylenol scare in 1982. At the time, seven people in the Chicago area died after swallowing Extra Strength Tylenol capsules that turned out to be laced with cyanide. It was unclear whether the

capsules had been tampered with in the Johnson & Johnson's factories or in the stores where they were bought.

That didn't matter to Johnson & Johnson. James Burke, who was then the company's chief executive, "almost instantly intervened and ordered a complete recall of all Tylenol," Useem notes. "Thousands of employees got involved, too. They were walking into stores on their own and taking the stuff off the shelves. There was no defensiveness on the part of Johnson & Johnson. An investigation later revealed that the tampering was done [after the capsules were sent to] a Chicago store. That has really become a gold standard for handling a corporate crisis."

The BBC's handling of its troubles hasn't been as graceful,

The BBC could have handled its part of the crisis better, says Martin Conyon, a Wharton management professor. "If politicians start attacking you, the natural reaction is to come out fighting and to support your people at all costs. But that also strikes me as an inappropriate way to handle this" from a management point of view.

but its top executives did at least one thing right by resigning, Useem says. "They bore ultimate responsibility for the reporter's mishandling of the report and the failure to investigate what happened." Plus, top-management resignations send a strong message that lapses of a similar nature won't be tolerated in the future.

Not everyone agrees that such dramatic action was required. If anything, the BBC may have overreacted to the Hutton report, making its mistakes seem graver than they were, suggests Peter Cappelli, a Wharton management professor who earned his doctorate at Oxford University. "There are no allegations of the BBC reporter making things up," as there were, for example, in a recent case involving a *New York Times* reporter, points out Cappelli, who is director of the school's Center for Human Resources. "The reporter made a mistake. The Blair government alleged malicious intent, but that proved not to be the case."

Consequently there is "a problem of the BBC protesting too much and apologizing too much," Cappelli adds. "If they just said, 'We stand by the integrity of our journalists,' that would be better for them than [taking actions] that suggest this is worse than it is."

Regardless of how one analyzes the situation, Barwise is confident about the BBC's ability to endure the crisis with its credibility intact. "The BBC is a brand that's chosen by the British people 60 million times a day," he says. "The public doesn't seem to think Hutton's criticisms of the Beeb were wrong. But they do seem to think his lack of criticisms of the Blair government was."

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Advertising jargon demystified

Netapps Method

It is framed from the term net-ad-produced purchases. It is developed by Daniel starch and Staff Company, requires the measurement of both readers and non-readers who purchased and who did not purchase the brand under investigation.

Net Audience

It means number of unduplicated homes, readers or viewers, etc. It is also called as net readership.

Net Paid Circulation

It is the part of total circulation paid for by readers, i.e. after deduction of free of complimentary copies and of unbought copies published.

Net Price

It is the final price after all discounts and allowances have been deducted.

Net Rate

It is the publisher's rates after deduction of agency commission.

Net Reach

It means number of people who will have least one opportunity to see an advertisement after allowing for duplication of readership between issues and between publication.

Netting

It means plastic netting extruded as a continuous cylinder and chopped into single units which are used to hold units of merchandise and to enhance their display. Frequently used for fruit or vegetable display in self-service stores.

Network

Network means television or radio stations linked together for transmitting identical programmes simultaneously. It also refers to the facility by which programme may be retransmitted by other TV regions, and thus similar to syndicated press features.

Network Analysis

It means breaking down a complex project into component requirements and recording these in a diagrammatic form which incorporates a critical time scale, so that planning and control can be effected in the most expedient manner.

Nielsen Index

It is the retail audit of brands within pre-determined groups, classified by geographical area within regular time periods. Standard format is available to subscribers in large and steadily increasing number of countries.

Source: www.indiaonline.com



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Reach us to Reach them



Combat corruption holistically

Corruption can be rooted out from the society by greater connectedness, courage, care, compassion

Sri Sri Ravi Shankar

The big 'C' of corruption can be countered by five more 'C's! The first, I would say, is the sense of 'Connectedness'. A lack of connectedness or sense of belongingness breeds corruption in society. That is why, often, you see people looking for connections, in order to avoid corruption! A sense of belongingness among people, among the community, can root out corruption.

That is why corruption is lowest at the village level; but when it comes to urban areas, cities, it's much more because there is no community sense there - no belongingness.

The second 'C' is 'Courage'. A lack of self-esteem or confidence in one's own ability is one of the causes of corruption. It is fear, or insecurity in a person that makes one corrupt. He then tries to find his security only through money, which doesn't really happen.

The more money he acquires, the insecurity doesn't disappear. In fact, he is more afraid and fearful because the money is not earned in a right manner. So the second 'C' that we will have to focus on is to create that courage in a person - courage and confidence in one's ability and in the laws of nature.

Third is an understanding of 'Cosmology' - looking at one's own life in the context of extended space and time. Just take a look at our own life. How long is it? Only 80-100 years! See life in the context of the huge dimension of time. Billions of years have passed since the creation. Our creation, as scientists say, is 50 billion years old. And everything in this creation is recycled.

The air we breathe is old, every cell in our body, every atom is old, oxygen and hydrogen are old! And this will continue. Seeing life from a different perspective of space and time is what will deepen one's vision about one's life. Being corrupt, one amasses a lot of money and puts it in the bank. One can't spend all that money and then one dies.

One's children inherit the property and then they fight over the inheritance! Seeing life in the context of this huge universe and unfathomable time can broaden one's vision, can broaden one's mind and can enrich one's heart.

The fourth 'C', I would say, is 'Care' and 'Compassion'. Care and compassion in society can bring dedication. It is

the lack of dedication that causes corruption. The Kumbha Mela in India was attended by a total of 30 million people - nearly 3 million people each day, and there was not a single incidence of violence, theft or robbery! One night, we were distributing blankets to the poor as it was very cold and I came across a youth, who refused to take a blanket, saying that probably someone else there needed it more! Care and compassion can root out corruption.

The last one I would like to emphasize is a sense of 'Commitment' - commitment to contribution. When a person has a goal, a commitment to a higher cause in life, it brings a shift from gaining to giving. In society, if everyone keeps thinking, 'What can I gain?' rather than 'What can I contribute?' or 'How can I be useful to the people around me?' then corruption cannot be rooted out. In society, we need to have this shift in our attitude, from 'What can I gain?' to 'What can I contribute?'

But all this cannot be possible without individual upliftment - Spiritual upliftment - a sense of belongingness with the whole world. Today the globe has become a village. We have globalized everything other than wisdom. And that is one of the causes of terrorism and unrest in the world today. We accept food from every part of the world, we accept music from every part of the world, but when it comes to wisdom, people seem to shy away.

If every child in the world learns a little bit about all cultures, a little bit about all values, the whole scenario will be different. Then one will not think: 'Only I will go to heaven. Everyone else will go to hell'. This wrong education or lack of education has caused so many problems in the world. A sense of belongingness with the whole world - it doesn't matter what color or race you are - is that shared value that we are talking about today.

Even if one pocket in the world remains ignorant of these shared values, common values, the world will not be a safe place. So we need to address these issues with a lot of patience. It is not a job that we can do overnight, but through education and creating that sense of community, through inspiration and example.

Excerpt from a recent talk by Sri Sri Ravi Shankar, founder of The Art of Living Institute, Bangalore



In society, if everyone keeps thinking, 'What can I gain?' rather than 'What can I contribute?' or 'How can I be useful to the people around me?' then corruption cannot be rooted out.

“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

How FMCG Consumer Products increase sales by 50 %

How FMCG Consumer Products India Ltd., increased their sales by almost 50 percent and pushed their profitability up through slashing down their inventory costs.

FMCG Consumer Products India Ltd is one of the market leaders in personal skin care, oral care and detergent products in India, with more than 25 leading brands in the market. The company boasts of an excellent sales and distribution team with around 750 field sales force and more than 1500 distributors reaching these products to the most remote points of the market. The company had recently acquired some of the most coveted brands in these markets and was poised for an aggressive growth in its market share. The company has targeted a 30% increase in sales in the oncoming year and has put together an ambitious marketing strategy including a huge promotion budget.

<http://www.vyapin.com/products/infocastudy3.htm>

From Legacy Data to Online Business Intelligence in 90 Days

Agricultural manufacturer Rallis India is using a business intelligence solution to access information created in legacy applications on a daily basis. In the past, it took days to generate reports and the information was out of date by the time managers received it. Today, decision makers decide which reports they want to subscribe to and receive via e-mail, as well as vital updates by SMS messages on their mobile phones.

The company developed and implemented the solution, which is based on Microsoft SQL Server 2000 and Microsoft Visual Studio .NET, in around 90 days without having to rewrite legacy applications at remote sites. This project is a live example of how a so-called 'legacy' application can be rejuvenated to provide great business value with cost-effective use of newer technology.

<http://www.microsoft.com/resources/casestudies/>

Managing an Airline Crisis Singapore Airlines and Flight SQ006

By Joan C. Henderson

Flight SQ 006, operated by Singapore Airlines (SIA), crashed on 31 October 2000. The accident was the first with fatalities in the 28-year history of the airline, although everyone on board a plane of its wholly owned subsidiary (SilkAir) had died in a crash three years earlier.

More accustomed to favorable reports associated with its successes, the airline now confronted the challenges of managing a fatal accident and adverse publicity potentially damaging to its image and reputation. After dealing with the immediate consequences of the crash in the period up until 6 November, when final casualties were confirmed, there was an opportunity for the company in general and the Public Affairs Department in particular to pause and review the situation.

Teaching Objectives

1. To demonstrate some of the strengths and weaknesses of SIA's management of the crisis and the effect of the earlier experience of the crash of a subsidiary company plane
2. To highlight the role of communication in crisis management
3. To illustrate the vulnerability of the airline business to crisis and the nature and evolution of such crises

<http://www.asiacase.com/sq006.htm>

Komala's Restaurant of Singapore

By D.G. Allampalli & S. Viswanathan



Serving *Thosai*, the most popular south Indian snack, within three minutes after placing the order is a tough challenge for any restaurateur. But Sekar from Komala's of Singapore achieved the feat with the successful

adoption of the fast food and self-service concept.

Studying the Little India outlet in Singapore, the case documents the service concept of Komala's by describing the process enablers for service concept and presenting how the Sekar brothers used a well-designed, four-station operations system with clearly specified tasks for the crew involved in the workflow. This helped to accomplish the business goals of offering a large product range, providing a superior ambience to customers, attracting skilled manpower and competitive pricing. As a result, the volume of business operations soared. However, the seasonal peak demand created capacity constraints and this resulted in customers being lost to neighboring restaurants. The case provides an opportunity to apply process analysis concepts to identify bottlenecks in a service operation. Issues: Service operations, Process Analysis, Capacity Planning.

<http://www.asiacase.com/komalas.htm>

Emerging Chinese MNCs: Konka Group

By Prof. Biswatosh Saha

Set in the late 1990s, the case study describes the entry of a leading manufacturer of color television sets in China into the Australian, USA and Indian markets. In spite of foreign competition, Konka became a leading company and brand in China. With financial assistance from domestic banks and financial institutions, the company embarked on an expansion into the global market using assimilated imported technology. This model bore a close resemblance to the successful internationalization model of the Japanese and Korean companies in the period before 1980. Would Konka's strategies and the elements of its internationalization model ensure continued success in the future?

<http://www.asiacase.com/konka.htm>

Learning from LeapFrog: Creating Educational and Business Value

By Lynda M. Applegate, Christopher Dede, Susan Saltrick



Explores the success factors leading to the company's rise to the number three ranking in the aggressively competitive toy industry. LeapFrog has made the strategic decision to exploit its educational model in two industry sectors:

consumer toys and educational supplemental materials. Senior executives face a number of challenges in sustaining the company's growth. Critical to its success is LeapFrog's ability to leverage its core assets, while simultaneously closely managing its relationships with customers, distributors, suppliers, and partners across these two very different industry sectors. Teaching Purpose: To examine the correlation between sound educational research and market success in the area of children's media products. Intended for use by students of business, especially those with a focus on general management, entrepreneurship, innovation, or organizational behavior, as well as students of education, especially those who are exploring the emergence of new commercial entrants into contemporary educational settings.

<http://harvardbusinessonline.hbsp.harvard.edu>

Apple Computer, 2004

David B. Yoffie, Debbie Freier

In 1980, Apple was the leader of the PC industry. By the late 1990s, it had suffered heavy losses at the hands of the Wintel camp. Examines Apple's efforts to create sustainable

competitive advantage as the PC industry evolves in the 21st century. Discusses Apple's history and past strategic moves and poses the question: Can Steve Jobs make Apple great again? Teaching Purpose: To teach industry analysis and problems in sustaining competitive advantage.

Dell Takes Online Scheduling and Demand Planning to the Next Level

How did Dell build support for its 100 percent build-to-order capability, significantly improve its demand-planning and factory execution accuracy, reduce order-to-delivery time and enhance customer service? They partnered with Accenture to quickly create a new, high-performance supply chain planning solution. Now in place in Dell's plants around the world, the program paid for itself five times over during the first 12 months of operation. Dell is able to adapt more quickly to rapidly changing technologies, and maintain its position as a high-performance business.

<http://www.accenture.com/xd/>

Marico Industries

By Janat Shah

Marico Industries, Ltd. is a leading India-based consumer goods company with sales of Rs. 7.75 billion (approximately US \$169 million) for the fiscal year ending March 2003. By late nineties Marico had successfully introduced number of products, but the resulting growth strained its highly regarded distribution network and exposed shortcomings in its forecasting, planning and supply chain processes. This case describes supply chain evolution at Marico Industries.

Over last four years, Marico has taken several steps to change what had become a "vicious cycle" of escalating supply chain network problems. Marico took a "big bet, big bang" approach in 2000-2001, putting together all the resources and management commitment needed to redesign processes and implement a fully integrated system comprised of: ERP, Supply Chain Software, and Data Warehousing Software.

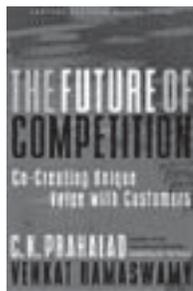
These initiatives laid the groundwork for other major developments, including technology-supported partnerships with major distributors. With vendor-managed inventory (VMI) and the online exchange of distributor sales and other information, Marico has managed to improve forecasting accuracy and reduce inventory levels at both Marico and the distributors.

<http://www.iimb.ernet.in>

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

The Future of Competition: Co-Creating Unique Value with Customers

C.K. Prahalad, Venkatram Ramaswamy
 HBS Press Book, December 2003



In this visionary book, C. K. Prahalad and Venkat Ramaswamy explore why, despite unbounded opportunities for innovation, companies still can't satisfy customers and sustain profitable growth. The explanation for this apparent paradox lies in recognizing the structural changes brought about by the convergence of industries and technologies; ubiquitous connectivity and globalization; and, as a consequence, the evolving role of the consumer from passive recipient to active co-creator of value. Managers need a new framework for value creation. This book is about the emerging "next practices" in value creation.

Increasingly, individual customers interact with a network of firms and consumer communities to co-create value. No longer can firms autonomously create value. Neither is value embedded in products and services per se. Products are but an artifact around which compelling individual experiences are created. As a result, the focus of innovation will shift from products and services to experience environments that individuals can interact with to co-construct their own experiences. These personalized co-creation experiences are the source of unique value for consumers and companies alike. In this emerging opportunity space, companies must build new strategic capital--a new theory on how to compete.

This book presents a detailed view of the new functional, organizational, infrastructure, and governance capabilities that will be required for competing on experiences and co-creating unique value. This is the future of competition. C. K. Prahalad is the Harvey C. Fruehauf Professor of Business Administration at the University of Michigan Business School and co-author of the landmark best seller, *Competing for the Future*. His research, for over twenty years, has consistently focused on "next" practices. Venkat Ramaswamy is the Michael R. and Mary Kay Hallman Fellow of Electronic Business and Professor of Marketing at the University of Michigan Business School. His research focuses on new frontiers in co-creating value.

Play to Your Strengths: Managing Your Internal Labor Markets for Lasting Competitive Advantage

Nalbantian, R. Haig Guzzo, A Richard Kieffer, Dave Doherty

Organizations that select, develop, deploy, manage, and motivate their people to produce outstanding business results have an extraordinary competitive advantage that others can't copy. Backed by Mercer's nine-year, \$10 million study of



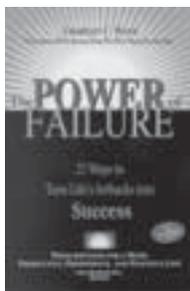
leading companies around the world, Play to Your Strengths shows how to leverage a company's human capital strategy into business results that are measurable and profitable and that will create exceptional, enduring competitive advantages.

This bottom-line-boosting guide gives managers, senior executives, and consultants the theory, tools, and processes they need to: Measure the effects of people on business results Determine the impact of strategies before making them Focus on the organization's most effective people strategies Deliver more money to the bottom line in a sustainable manner Create enduring, copy-proof competitive advantages.

Tata McGraw-Hill, 2003. Price: Rs.225.00

The Power of Failure: 27 ways to turn life's setbacks into success

Manz C Charles

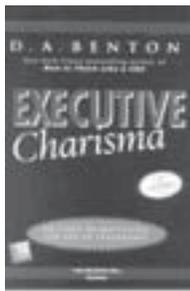


The fear of failure is enough to stop many people in their tracks and lead them to give up without even trying. But best-selling author Charles Manz shows that failure is an essential component of personal and professional success. Using real-life examples and stories, Manz shows that: Challenges are disguised opportunities Failure can spur positive change Setbacks catalyze creative coping skills, and Collaborations with failure can be an ongoing part of being successful.

Tata McGraw-Hill, Price: Rs. 195

Executive Charisma: How to Think Like a CEO

BENTON, D.A.

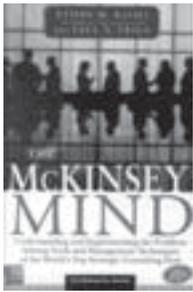


You know charisma when you see it in executives who exude self-confidence, style, composure, authority, and a boundless energy that propels them straight into the corner office. You work just as hard, contribute just as much; you're talented and ambitious, but what can you do? You're either born with charisma, or you're not, right? Wrong! In Executive Charisma, best-selling author and world-renowned executive development coach D. A Benton demonstrates that charismatic executives are not just born, they are made--and she introduces a proven six-step program for performing yourself from a competent manager into a true leader.

Tata McGraw-Hill

THE MCKINSEY MIND

Understanding and Implementing the Problem Solving Tools and Management Techniques of the World's To..., Rasiel, Ethan M, Friga



The McKinsey Mind pulls back the curtain to reveal the ways in which McKinsey consultants consistently deliver their magic and how those methods can be used to achieve exceptional results in companies from 10 employees to 10,000. Packed with insights and brainstorming exercises for establishing the McKinsey mind-set, this book is an in-depth guidebook for applying McKinsey methods in any industry an organizational environment.

Tata McGraw-Hill, 2003, Price: Rs. 225

Innovation and Imagination at Work

In Imagination and Innovation at Work, the Australian Institute of Management draws together a collection of articles, written by industry leaders and creative thinkers, that examines the innovation imperative for Australian business. This book's message is simple-business must innovate or perish, and the key to success lies in harnessing creativity at all levels of the organization, using it to meet strategic objectives and to drive profits and improvement. The articles explore how organizations can ensure both survival and success. Uniquely, the book also investigates the crucial role of imagination in the Australian innovation process.

Tata McGraw-Hill, 2003, Price : Rs. 195

Jishu Hozen Manual

by TPM Club India, Price: Rs. 500.00

Jishu Hozen, Japanese word for Autonomous Maintenance, implies that the operators themselves maintain thier machines in highest standards. These operators are trained to do so through the structured approach of 7 steps of Jishu Hozen. Each step has a focus, an activity to be carried out and certain results to be achieved.

This manual is written in a simple way to understand the 7 steps of Jishu Hozen. Each step is explained in detail with flow charts, pictures and successful case studies from different companies. Audit sheet to check/monitor the excellent implementation of each step is also included in this manual so that companies can check themselves where their implementation activities stand.

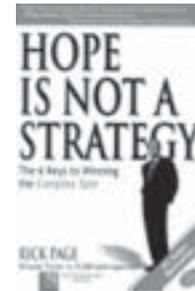
"Jishu-Hozen" means activities of the operator that uses maintenance to personally conduct maintenance activities, including cleaning, oiling, retightening, and inspection, thereby raising production efficiency to its limit. Such activities will

prevent forced deterioration of equipment. Thus "Jishu- Hozen represents activities to thoroughly eliminate failures, minor stoppages, defects, and other losses to restore equipment to their desirable forms, maintain them, and improve them, and at the same time to develop "personnel that are skillful at equipment operations and improvement."

kkbooks@vsnl.com or service@kkbooks.com

Hope is not a Strategy - The 6 Keys to Winning the Complex Sale

Page, Rick



Hope is not a Strategy: Winning the complex Sale fills the gaps and goes beyond for the first time. It incorporates the best practices from successful practitioners in the areas of consultative, competitive, political, and team selling into a single, simple, strategic process for winning sales and dominating accounts. How do leading world-class sales and consulting organizations consistently land the big clients and the huge contracts, even in the fast-changing, risk-laden new economy.

Tata McGraw-Hill, 2003



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Repaying debt with integrity

Ananth Raman had negotiated hard for a handsome cut in the debt his company owed to a bank that was pulling out its operations in the US. As he related to William and Debra Miller, he found himself in a moral predicament.

There was an instance where I was not the decision maker; my boss was the one who had to make a very important decision. However, I was able to see the basis of this decision from a spiritual perspective only after it had happened. We had borrowed a large sum of money from a banker who wanted to pull out of their operations in the US, and we had a large multi-million dollar loan due to them.

I went to the lender and told them that since they were the ones who were leaving, we would like to pay them less than the total amount. I proposed a certain reduction in what we owed them, and we had an extensive discussion about this. With hesitation, they agreed to a reduction, but it was a smaller reduction than what I had proposed. Since we couldn't finalise the actual amount of the reduction, they had the head person from their London organisation come to the US to meet with our principle shareholder from Switzerland; and we decided to let those two people work it out.

I had briefed our principle shareholder, who was actually my immediate boss, on what had taken place up to that point. I suggested that he offer an amount for the reduction that was a little more than they had agreed to. I went into the discussions feeling very proud that I had negotiated this loan reduction, and had gained this extra income for the company.

As we moved toward this critical point during the talks, my boss suddenly said, "I have not come here to ask for this reduction, I will not do it." We had negotiated so hard for this reduction, and now this man was saying that he would not ask for this! He told them that we would in due time pay back the entire amount of the loan.

I was totally shocked. Here we had a huge gift of money available, and my boss was giving it away. Afterwards I asked him why he had done this, and he said, "As a businessman we have a responsibility. We are responsible not only to our shareholders, but also to our bankers. We have borrowed this money from them; we must repay it to them. This company is not bankrupt - we are able to pay this money to them. So there is absolutely no reason why we should take advantage of this situation just because they want to pull their operations out of the US. This is no way to do business."

I was really struck by all of this. He was not a religious person or anything like that. He was just a gentleman with a deep sense of values. He considered this loan not as something that we simply wrote down and now we can debate about whether to pay or not pay. Rather, he took it as an obligation to society.

The Spiritual Lesson

I felt this was a deep spiritual lesson for me. The lesson was that all obligations must be honoured. They must be paid back in the right way, not by arguing like this. I saw that all obligations, whether they are in cash, such as this, or in some other form, must be repaid in some way or another. This is my duty and I must honour that duty. I saw that

this was the only way to do business in this world.

Until now, I have never formally attempted to define spirituality. For a long time, spirituality was just a cliché, a word that all of us bandied around without any real understanding.

So I would say that my definition of spirituality would be the awareness of myself as part of supreme consciousness, that feeling of 'I,' those things that are within me. And then to extend that to mean that 'I' and the Divine are the same. The Divine is in all of us. I also believe spirituality is knowing the true core of being within you, and realising it is the same within everyone.

I believe there are three ways to inquire in these areas, in these directions: it can be through meditation, or self-inquiry, or even the study of knowledge.

In the end, if I had not looked at this situation from a spiritual perspective, I would have thought, "I did all of this hard work for this man, and he is not even appreciating it." My financial controller was with me, and he is still not convinced today that what my boss did was right. He still calls it a stupid decision, and I continue to tell him why it was not a stupid decision.

This article is part of a series of executive interviews William and Debra Miller of the Global Dharma Center have conducted for their international research program "Spiritual-Based Leadership". Mr. Ananth Raman is Chairman of Graphtex, Inc., New Jersey, USA. www.globaldharma.org/sbl-home.htm



How 360-degree feedback puts zing into a company?



Unlike many management tools the 360-degree feedback approach is beginning to have a significant impact as it involves all stakeholders, including the customers, to influence the effectiveness of decision makers

By Dr. Gopal P Mahapatra

It reminds me of the childhood story of two frogs. The small frog from the village well meets the frog from the sea on the sea shore and shows off his great leadership skills by ballooning and finally bursts leading to death. That's no more the story of leadership in the current global environment.

Recently, I conducted a 360-degree feedback workshop followed by individual coaching of the top management of a large cement organization in Central India. After the participants shared their expectations, the senior executive president of the division mentioned at the beginning of the workshop that though he was a chartered accountant and a financial professional who has been heading a number of large organizations in the last ten years, he was lucky to have gone through three 360-degree feedback experiences (two instrument based and one lab based) that has led to his professional and personal development significantly. He accepted himself as a self-developed leader.

In January 2004, I confronted another senior manager of one of the divisions of a leading business group during a 360-degree, one-on-one review and coaching session. On exploration, the participant shared his work overload and no space for personal and professional renewal. The confrontation by the coach was needed as I saw him almost at the edge of death. More so, his predecessor had lost his life by the same process in front of his own eyes two years back and our friend had still not changed his behavior.

While the new age of leadership (also known as Level 5 Leadership by Jim Collins) describes that most powerful and transformational executives possess paradoxical mixture of personal humility and professional will.

In companies like GE 360-degree feedback model is put to several uses. Pay for performance is one of the popular ones, but it also doubles as a developmental tool for potential assessment and succession planning as well as taking care of the major failures/areas of improvement.

Similarly, there are many family managed organizations in the country who have made efforts of varying degrees into 360-degree feedback to further professionalise their managements. While some leading organizations in the IT sector have been using this in the areas of leadership development and succession planning, some are using it for career development and pay for performance. This initiative appears to be in its infancy for most large organizations.

The 360-degree feedback model is a process of collecting inputs from various stakeholders with the help of a structured instrument or one-on-one interactions with the respondents by a consultant. This data leads to a structured/semi-structured

programme with coaching and counseling in a fully experiential lab.

This tool appears to have benefited the individual in many ways, both personally and professionally, benchmarking inside the company by the group, comparing data with other group data well as to the organisation in terms of Organisational Development and other focused developmental efforts. In other words, this tool appears to have given benefit not only in people management leadership but also strengthening stakeholder's value by the role holder.

Some of the issues that are being experienced in using this tool for leadership development could be: global leadership model vs. local leadership; standardized tool vs. a customized tool; automated vs. printed formats; in-house vs.

In companies like GE 360-degree feedback model is put to several uses. Pay for performance is one of the popular ones, but it also doubles as a developmental tool for potential assessment and succession planning as well as taking care of the major failures/areas of improvement.

external facilitation; Feedback with Coaching vs. only feedback report.

After sharing my experiences and views on leadership development through 360 Degree Feedback many senior executives are unsure of its benefits. To me this approach helps in better customer orientation. This has assumed greater importance both from internal & external customers point of view.

Identifying competency-focused development of senior leaders, team building and development and greater role clarity and enhanced role effectiveness. It helps in self-development and thereby helps managers to be better people. While one is made aware of the areas where one is required to improve, one also gets to know their positive attitudes and strengths.

To me, as a 360-degree feedback facilitator and coach, last three years have been a very enriching experience. It has given me great insight into the leadership opportunities and challenges being faced by some of the great leaders as CEOs, COOs, directors and business heads as well as their coping and developing mechanisms. The 360-degree feedback as an effective process is here to stay.

The author is a consultant on various management related issues and is currently Managing Director at T. V. Rao Learning System, Bangalore



We have to confine ourselves to being the leaders in niche areas where we have the greatest edge and that edge is the ability to design and develop products at the low end and produce good value for money products - **Ratan Tata**

"Innovation emerges when people are allowed to give free rein to their creative talents within a set of simple rules." - **Stephen Shapiro, in '24/7 Innovation'**

Creativity is just having enough dots to connect." "Most people complain that they aren't creative thinkers. That's because they're lazy thinkers. They get ideas alright, but they stop after their first or second (idea). Thinking is hard work. If it were easy, everybody would be Einstein and nobody would take out the garbage." -**Marco Marsan, from 'Think Naked'**

"Every act of creation is first of all an act of destruction." -**Picasso**

"It isn't that they can't see the solution; it is that they can't see the problem." -**G.K. Chesterton**

"The innovative company of the future will, at minimum, have the customer always in the front of its mind. The key is to link the business outcomes to what the customers value."-**Steve Jobs, Apple Computer**

"A culture of innovation can be a company's primary source of competitive advantage, and can pay off steadily over the years." -**Stephen Shapiro, in '24/7 Innovation' 1/6/2004**

Those who are victorious plan effectively and change decisively. They are like a great river that maintains its course but adjusts its flow... They have form but are formless. They are skilled in both planning and adapting, and need not fear the result of a thousand battles, for they win in advance, defeating those that have already lost." -**Sun Tzu**

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Dotcom branding: return of the generic names

The recent success of generic names in the web space has thrown up new challenges to brand managers

by Harish Bijoor

Is the Dotcom still a fashionable thing to do? Of course it is! Never mind all the bubble-talk and all the closures of Dotcom outfits that had many a major name ending up as nothing but e-dust and e-lore. Never mind the fact that many a Dotcom today is tottering on its last lap, gasping for n'th round venture capital funding that just seems to have dried up all of a sudden to a tiny trickle. Dotcoms are still fashionable.

And till they are, it is important for the brand practitioner to learn and set all those new rules of Dotcom branding, particularly in a territory of space that defies all the rules there are! The Dotcom space!

If Dotcoms have defied anything specifically, it surely is first of all the primary law of branding. The law of branding that talks of the specific, the precise, the pinpointed and the distinct and discernible among brand names.

Brands in the real market place are all about distinction, standout value, specific recall and uniqueness. Uniqueness in the imagery and appeal. Brands in Internet space seem to be about much else. Much else that is different, quite diametrically, from the age-old puritan practice of the rules of branding practiced by many a brand of peanut butter and peanut sauce alike.

Brands in Internet space seem to defy the logic of brand naming. The first big rush with the domain registrars seemed to be for the big names that were really crisp and short and just about defined the category they represented succinctly. Food.com, drink.com, job.com, toys.com, India.com, Pakistan.com, eat.com, play.com, massage.com and a host of such simple, generic, but quick to recall names happened.

The early cyber squatter therefore went through the dictionary of the day and grabbed all those simple names that suddenly became brand names the moment the tail of a Dotcom was added to the otherwise generic word. The late-comers into the category then had to either buy out these generics from the holders of the property, or had to devise their own names around the primary one that were lost. An India.com therefore has a peppy Indya.com, an e-india.com, an i-india.com and what not!

Why this rush of the generic when the Internet messiahs of the day could have easily followed the rules of the game of branding. Why should they have not created great names like some have? An e-bay, an Amazon, a Hotmail, a Rediff and what not!?

This debate is one that has just started. There are no clear answers as yet to be found in the realm of the quantifiable. Just because a brand in Internet space with the generic tag has failed, and one with a distinctive and albeit even meaningless brand name has succeeded, does not sound the final bell of decision on this subject of much interest to the man in branding.

Democracy of spiders

The early internet-'wallah' had a logic of his own. Internet space is one that is ruled by a democracy of spiders, all connected to the World Wide Web. All connected intricately, loosely and tightly at the same time. Internet space is all about democracy and certainly all about anarchy. Both philosophies represented by the dominant mind and mood of the consumer in the space, whose mind itself is one that is yet to be read systematically by any person, device or genie.

Imagine the scenario of a million and more sites on a million and more subjects. What will you as a consumer remember from among the mess of it all? Think of an India specific site, the first URL you would type out is the obvious one: India.com! Never mind that Indya.com might be richer in content or never mind that indiainfo.com might be more specific to your specific need!

Amidst all the clutter-regime in Internet space, the simplest thing to do seemed to be to choose the simplest names of them all. Specific, simple and of course generic! Way to go!

And so, the rules of branding changed in Internet space. Today you have a whole host of them. A headache.com needs no guessing where it will take you. An email.com will take you to a spot where you can send your emails. From birth to death then, there is a spot to go. A Babynames.com to search for the name of your baby and a Sradh.com to perform that streaming video 'sradh' ceremony of your beloved ones from a remote location at the site of a holy river-bed of your choice! Look at these names then. So specific. So clear. The name is therefore both an invitation and a barrier. An efficient one at that!

Should the Internet brand name be one in the generic realm? Or should it be one in the terrain of the true-blue rules of branding?

The author is CEO, Harish Bijoor Consults Inc., a private-label consulting outfit with a presence in the markets of Hong-Kong, London and the Indian sub-continent.

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The power of marketing



Fed up with targets and excessive work pressure a marketing executive decided to commit suicide. He goes to the bank of a fast flowing river, closes his eyes and starts saying his last prayers. Before he could finish he's shaken up by a beat cop. The cop threatened him for attempting suicide and said the punishment for the crime is at least five years in prison.

Not knowing what hit him the executive now musters all his marketing skills and starts convincing the cop of the advantages of suicide against the dreary life he's leading. By the time he finished the cop jumped into the river.

Want to replace your car? Try Lexus!

A Lexus owner in the US, who once locked himself out, called up his dealer for help. The dealer, who was in a meeting with a management consultant, told the perturbed owner to feel free to break open the door glass and retrieve the key and that he'd get it replaced in two hours.

The consultant, who was there to find out how Japanese cars were taking market share away from market leader Daimler Benz, didn't have to look hard for the reasons. The consultant expected the dealer to course the owner after he hung up the phone for bringing such trivial problems to him was surprised to see a gleaming face.

The dealer blurted out - "Now I have a buyer who'll replace his next two cars with Lexus." The consultant learnt a valuable lesson on site - it doesn't matter how great your product is - you still got to have a service-oriented mindset to sell more of your ware.

Movie model for organizations

A typical movie production involves coming together of specialists for a certain period of time. They give their best and disappear. No production team resembles any other. Organizations too are becoming more like movie production teams. You are as good as your last project.

Let your boss have the first say

A sales rep, an administration clerk and the manager are walking to lunch when they find an antique oil lamp. They

rub it and a Genie comes out in a puff of smoke. The Genie says, "I usually only grant three wishes, so I'll give each of you just one."

"Me first! Me first!" says the admin clerk. "I want to be in the Bahamas, driving a speedboat, without a care in the world." Poof! She's gone. In astonishment, "Me next! Me next!" says the sales rep. "I want to be in Hawaii, relaxing on the beach with my personal masseuse, an endless supply of pina coladas and the love of my life." Poof! He's gone.

"OK, you're up," the Genie says to the manager.

The manager says, "I want those two back in the office after lunch."

Moral of story: Always let your boss have the first say.

Doing nothing

A crow was sitting on a tree, doing nothing all day. A small rabbit saw the crow, and asked him, "Can I also sit like you and do nothing all day long?" The crow answered: "Sure, why not." So, the rabbit sat on the ground below the crow,

and rested. All of a sudden, a fox appeared, jumped on the rabbit and ate it.

Management Lesson? To be sitting and doing nothing, you must be sitting very, very high up.

Bullshit!

A turkey was chatting with a bull. "I would love to be able to get to the top of that tree," sighed the turkey, "but I haven't got the energy." "Well, why don't you nibble on some of my droppings?" replied the bull, "They're packed with nutrients." The turkey pecked at a lump of dung and found that it actually gave him enough strength to reach the lowest branch of the tree.

The next day, after eating some more dung, he reached the second branch. Finally, after a fourth night, there he was proudly perched at the top of the tree. Soon he was promptly spotted by a farmer who shot the turkey out of the tree.

Management Lesson? Bull Shit might get you to the top, but it won't keep you there.

Smart answer

A general manager of a five-star hotel asked a steward why it's a tradition to always serve from the left. Taken aback the steward thought a seemingly smart answer could sometimes be right. He blurted out - "because customer is always right!" The GM was impressed.

Readers are invited to share their real-life experience, which has a touch of humour.

e-mail: editor@managementnext.com