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NOVEMBER 2004 Vol. 1 - ISSUE 4 Rs. 30/-

What is your Core Incompetence?

Past successes are holding many companies and managers back from moving forward. Is there a way out?

By Dr. Prasad Kaipa

Theoretically, our core strengths alone are sufficient to move us forward with velocity towards living our larger purpose. But there are times when we have the nagging feeling that despite having identified a motivating purpose, we are not making fast enough progress. To resolve this dilemma, we must understand that each of us has ingrained behaviors that hold us back.

CK Prahalad and Gary Hamel introduced the notion of the "core competence" of an organization in a *Harvard Business Review* article and expanded it in their book *Competing for the Future*. They also coined the concept of strategic intent in the context of organizations. As I reflected on it over time, I found that it is important to pay attention to the concept of *core incompetence* as well to understand why a person or an organization often get stuck.

Core incompetence (CI) is unique to each of us and it prevents us from moving towards our purpose. It seems to have its roots in our past successes and behaviors that lead to automated patterns because we get comfortable with certain well-tested and successful formulae. When CI takes over, our capacity to think and act rationally is seriously impaired and we act on an autopilot. Instead of being aware of the current context and engaging in fresh thinking, we react from past memories and dysfunctional patterns and hope for success because we developed that pattern based on past successes. In other words, **our debilitating**

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Whats in...

Solve Management Crossword and win prizes

ManagementNext
A MONTHLY FOR SMART MANAGERS

Volume 1 Issue 3.

Printed, published and owned by Benedict Paramanand and printed at Rukmini Prakash & Mudra, 38, Behind Modi Hospital, Nagapur, Bangalore – 560 086; and published at Bangalore.

Editor – Benedict Paramanand, # 2, Bilden Park, G M Palya, Bangalore – 560 075.

Mission

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

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Per copy: Rs. 30/–
Annual Subscription: Rs. 300/– (12 Issues)
For out of Bangalore cheques add Rs. 120/-

Design: Digidot Media Solutions, Bangalore
www.digidotmediasolutions.com

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weaknesses come from unconscious application of our strengths inappropriately and out of context.

I have come across many executives in my practice who are very passionate and don't know when to tone down their intensity and passion and scare others in the company. So they rarely receive appropriate information or bad news in time to make right decisions. Volatile tempers, excessive distractibility, and chronic tardiness – all have roots in core incompetence.

How do you discover your core incompetence?

Look at areas where you get repeatedly stuck and where you think you already know the answer and you are sure that you are right. Pay attention to behaviors and attitudes other people complain to you about? What is the one thing that you want to justify at all costs or hide from others?

Core incompetence arises out of lack of contextual and self-awareness. When you don't pay attention to it, slowly but steadily it sabotages you. Once you identify your CI, I recommend you find a coach you are comfortable with to help you gain deeper awareness.

Then find your highest aspiration that inspires, gives direction and challenges you. Faced with such a challenge to reach your higher purpose, you may find it easy to work with your core incompetence. When I work with executives during personal coaching sessions I pay special attention to CI because it is a serious growth-limiting factor. Once you are aware of your CI, you can partner with peers who have more awareness in the area of your incompetence and let them point it to you till you become very aware of it.

CI is like a hook: it's an unconscious, addictive pattern. Once you become conscious of it and also find an opportunity that truly inspires you and challenges you, your CI begins to lose its grip on you.

India's core incompetence

CI is very relevant to India. In India, we have a rich tradition. Along with rich tradition comes rich set of memories of the past. Those memories are supposed to provoke us and not stop where we normally do but to keep pushing on and create, invent and go beyond. Unfortunately, we use our heritage and tradition to be proud of our past successes but rarely do we examine the context and appropriateness of applying the past rich processes and concepts in the current context. So we create major problems in the society in terms of caste differences, religious disturbances and other such issues. So the rich heritage of *Bhagavadgita*, religious tolerance and diversity is not used to grow beyond but used as crutches to support our own view point. Our core incompetence is our inability to reinterpret the rich tradition in the 21st Century context.

Similarly, our intellect and our educational systems are gifts that we are able to take advantage of in this BPO climate. Thanks to these gifts, we are making a mark in the world IT industry. Still our core incompetence is not to go up the value chain and learn to create — we just support and do backend work. We are making progress but it is happening at the individual level instead of collective - organizational or societal levels.

If we can find a way to dig into our own failures and embrace them and reflect on them, the grip of CI will be much less on it and our inventiveness and creativity will be greatly enhanced because our intellect will work from inside out.

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Nimble eat the laggard!

After establishing Infosys Technologies on a firm footing, its chief mentor, Mr. N. R. Narayana Murthy is now quite willing to share the lessons he learnt the hard way and the wisdom he is able to acquire from it with the global business community. Mr. Murthy spoke at the prestigious Nikkei Global Management Forum at Tokyo in October 2004, on what is essential for 'Managing a Hi-Tech Business' successfully. Here are a few quick bytes from his speech:

- ❑ Longevity today depends only on how fast we can innovate and not on how strong we are financially. So it is the nimble that eat the laggards, and not the big that eat the small. It has altered hitherto existing paradigms of business. Intermediaries are being replaced by "infomediaries".
- ❑ Leadership is about dreaming of the impossible; it is about dreaming of the unknown; it is about dreaming of the plausible.
- ❑ The importance we attach to our value system is reflected in the cost we are willing to incur for our beliefs and convictions. Compliance to a value system requires people who have high aspirations; who have high self esteem; who have high belief in fundamental values; who have confidence in the future and who have the enthusiasm to take up apparently difficult tasks.
- ❑ We use an adage at Infosys to sum up the leadership challenge and that is: A plausible impossibility is better than a convincing possibility," which means it is the job of the leaders to ensure that a task, however impossible it looks, is made to be seen as plausible by the followers and members of the team
- ❑ Organizations fail not because we don't have good technologies; they fail because we don't have good managers.
- ❑ Ethical behavior is the foundation for sustainable success of any business in any age.

Your customers can be your innovators

Many companies discover insights and innovation opportunities by observing their customers but BMW are special. They were recently voted the most innovative company in Germany.

BMW has a Virtual Innovation Agency where anyone can submit an idea for an innovation for BMW. They particularly want smaller companies to send in ideas.

They ask you to submit a detailed technical description of your unusual proposal, the development stage of your innovation (e.g. model, prototype), information on the protection of your innovation (e.g. patent number) and a critical assessment of the strengths and weaknesses of your proposal.

Dynamic Macroeconomics

The Royal Swedish Academy of Sciences awarded the 2004 Nobel prize for Economics jointly to Finn E. Kydland, Carnegie Mellon University, Pittsburgh and Edward C. Prescott, Arizona State University, Tempe, USA "for their contributions to dynamic macroeconomics: the time consistency of economic policy and the driving forces behind business cycles".

In their new theory on business cycles and economic policy the Laureates showed how effects of expectations about future economic policy give rise to a *time consistency problem.* If economic policymakers lack the ability to commit in advance to a specific decision, they will often not implement the most desirable policy later on.

Kydland and Prescott's results offered a common explanation for events that, until now, had been interpreted as separate policy failures, e.g., that economies become trapped in high inflation even though price stability is the stated objective of monetary policy. Their awarded work established the foundations for an extensive research program on the credibility and political feasibility of economic policy. This research shifted the practical discussion of economic policy away from isolated policy measures towards the institutions of policymaking, a shift that has largely influenced the reforms of central banks and the design of monetary policy in many countries over the last decade.

Finn Kydland and Edward Prescott have made fundamental contributions to the research area known as macroeconomics. In a highly innovative way, the Laureates have analyzed the design of economic policy and the driving forces behind business cycles. Their work has not only transformed economic research, but has also profoundly influenced the practice of economic policy in general, and monetary policy in particular.

Driving Forces Behind Business Cycles

Business leaders can take note of the research that has transformed the theory of business cycles by integrating it with the theory of economic growth. Whereas earlier research had emphasized macroeconomic shocks on the demand side of the economy, Kydland and Prescott demonstrated that shocks on the supply side may also have far-reaching effects.

In their business-cycle model, realistic fluctuations in the rate of technological development brought about a covariation between GDP, consumption and investments. Previous business-cycle models had typically been based on historical relations between key macroeconomic variables. But models that had functioned quite well during the 1960s began to break down under the more turbulent economic conditions of the 1970s, with oil-price shocks and concurrent inflation and unemployment.

The Laureates have laid the groundwork for more robust models by regarding business cycles as the collective outcome of countless forward-looking decisions made by individual households and firms regarding consumption, investments, labor supply, etc.

PPO cube enhances creativity

Each of us has a wealth of knowledge and experiences, but we often fail to tap into them for ideas when we're faced with a problem or challenge. That's where the Personal Pattern Overlay (PPO) Cube, a new creativity tool developed by James Theodore, can help.

The PPO Cube is a dodecahedron — a 12-sided cube about 2 inches tall, with colored dots on each side. Within each dot, you write the word that describe something you know a lot about — from your profession, personal experiences or your hobbies, for example. You then roll the PPO Cube, look at the key word that is facing up and draw analogies between that area of interest and your current problem or challenge.

According to Theodore, the principle behind the PPO Cube is very simple: "There are patterns in your life experiences, knowledge and hobbies that can be related to your problems. By using the Cube, you will see these relationships more clearly and find different approaches that yield new and exciting creative solutions," he explains. He believes that anyone can find analogies between their personal knowledgebase and problems they wish to solve.

One of the things I like about this creativity tool is that you can personalize it to reflect your unique knowledge and experiences. It's also refreshing to see that this isn't just another keyword-focused creativity tool. Drawing analogies is a powerful, proven brainstorming technique, and your life experiences can provide you with a rich wellspring of inspiration from which you can draw analogies. I think this makes the PPO Cube an especially powerful tool for generating unique ideas.

Andy Grove is most influential business leader

Intel's Andy Grove topped the Nightly Business Report and Wharton Business School list of 25 most influential business leaders of the past 25 years.

NBR and Wharton have since published a book, out on stands in October 2004, entitled *Lasting Leadership: Lessons from the 25 Most Influential Business People of Our Times.* The project coincides with NBR's celebration of its 25th anniversary of on the air.

The winners were chosen by six Wharton judges from more than 700 names submitted by NBR viewers. They include, in alphabetical order: Mary Kay Ash, founder of Mary Kay Inc.; Jeff Bezos, CEO of Amazon.com; John Bogle, founder of The Vanguard Group; Richard Branson, CEO of Virgin Group; Warren Buffett, CEO of Berkshire Hathaway; James Burke, former CEO of Johnson & Johnson; Michael Dell, CEO of Dell Computers; Peter Drucker, the educator and author; William Gates, chairman of Microsoft; William George, former CEO of Medtronics; Louis Gerstner, former CEO of IBM; Alan Greenspan, Chairman, U.S. Federal Reserve; Andrew Grove, chairman of Intel; Lee Iacocca, former CEO of Chrysler; Steven Jobs, CEO of Apple Computer; Herbert Kelleher, chairman of Southwest Airlines; Peter Lynch, former manager of Fidelity's Magellan Fund; Charles Schwab, founder of The Charles Schwab Corp.; Frederick Smith, CEO of Federal Express; George Soros, founder and chairman of The Open Society Institute; Ted Turner, founder of CNN; Sam Walton, founder of Wal-Mart; Jack Welch, former CEO of General Electric; Oprah Winfrey, chairman of the Harpo group of companies; and Muhammad Yunus, founder of Grameen Bank.

Lasting Leadership also identifies eight attributes of leadership, each of which has its own chapter in the book, that are evident to varying degrees in these individuals.

1. They are able to build a strong corporate culture.
2. They are truth-tellers.
3. They are able to find and cater to under-served markets.
4. They can "see the invisible" - that is, spot potential winners or faint trends before their rivals or customers.
5. They are adept at using price to build competitive advantage.
6. They excel at managing and building their organization's brand (which in some cases may be their own name).
7. They are fast learners.
8. They are skilled at managing risk.

In addition, the book includes essays describing a major challenge that each leader faced during his or her career, and detailed timelines of each leader's life.

The authors of *Lasting Leadership* are Mukul Pandya, editor and director of Knowledge@Wharton, and Robbie Shell, managing editor of Knowledge@Wharton. Three others - Susan Warner, Sandeep Junnarkar and Jeff Brown - made significant contributions in reporting and editing.

Employ video game buffs!

Didn't you think video games are kids' stuff? Think again. Provocative new data show that video games have created a new generation of employees and executives—bigger than the baby boom—that will dramatically transform the workplace. And according to strategists John C. Beck and Mitchell Wade managers who understand and harness this generation's distinct attributes can leap far ahead of their competition.

The duo's book *Got Game: How the Gamer Generation Is Reshaping Business Forever (Harvard Press Book, September 2004)* shows how growing up immersed in video games has profoundly shaped the attitudes and abilities of this new generation. Though little-noticed, these 90 million rising professionals, through sheer numbers, will inevitably dominate business—and are already changing the rules. Although many of these changes are positive—such as more open communication and creative problem solving—they have caused a generation gap that frustrates gamers and the boomers who manage them.

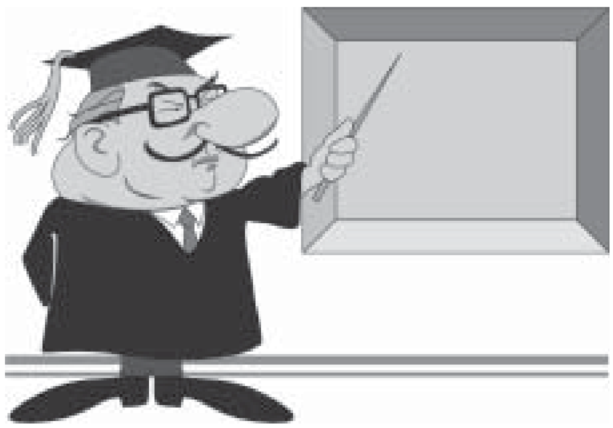
Got Game identifies the distinct values and traits that define the gamer generation—from an increased appetite for risk to unexpected leadership skills—and reveals management techniques today's leaders can use to bridge the generation gap and unleash gamers' hidden potential.

Innovation impact can now be predicted

In a groundbreaking book Seeing What's Next Clayton M. Christensen illustrates the predictive power of innovation theory

Just as kids await the latest Harry Potter installment, so do business leaders look for Clayton M. Christensen's next offering. After the two best selling books on innovation Christensen released his latest sequel *Seeing What's Next* in September, this year.

Every day, individuals take action based on how they believe innovation will change industries. Yet these beliefs are largely based on guesswork and incomplete data and lead to costly errors in judgment. Now, Clayton M. Christensen and his research partners Scott D. Anthony and Erik A. Roth present a groundbreaking framework for predicting outcomes in the evolution of any industry.



Based on proven theories outlined in Christensen's landmark books *The Innovator's Dilemma* and *The Innovator's Solution*, *Seeing What's Next* offers a practical, three-part model that helps decision-makers spot the signals of industry change, determine the outcome of competitive battles, and assess whether a firm's actions will ensure or threaten future success. Through in-depth case studies of industries from aviation to health care, the authors illustrate the predictive power of innovation theory in action. Clayton M. Christensen is professor of Business Administration at Harvard Business School, Scott D. Anthony recently joined Innosight, LLC as a partner. Erik A. Roth recently joined McKinsey & Co. as a consultant in its Boston office.

InnovationNetwork co-founder Joyce Wycoff thinks Seeing What's Next is a must read for innovators and entrepreneurs. She says: "While The Innovator's Dilemma and The Innovator's Solution tell us how to succeed by overcoming the barriers to innovation, Next shows us how to recognize the signals of change that could easily rock our world. Imagine confidently recognizing the potential of Google or Ebay (before the rest of the pack). Or what if you could read the signals being transmitted by the health care or telecommunications industries and understood how they might affect your industry or company? Just as importantly, what if you could use these signals to more successfully weave your way through the constantly changing landscape in order to develop products and services that create new value for your customers and for you?

In an interview with Gartner recently Christensen said that the process of managing successful innovation is becoming less random and less unpredictable. As a result, more companies are benefiting from mid-course corrections after assessing new threats and opportunities in their markets. "Almost always, a company starts out in a direction conceived by the founder, and in 93% of companies that ultimately end up being successful, they figure out the original strategy doesn't work. But by thorough experimentation and trial-and-error in the market, they happen upon or iterate towards a strategy and a business model that really is viable."

Asymmetric Motivation

Professor Clayton Christensen of the Harvard Business School calls "asymmetric motivation," as an extra motivation in your favor. That is motivation that is more than normal. Such asymmetric motivation is what indeed helps small and nimble new entrants to the marketplace fight tough odds and defeat the strong incumbents. The success of Microsoft against IBM in the PC operating systems area is a classical example of that. IBM had all the strength; they had money; they had talent; they had market; everything was there. And they did come out with OS2 but eventually they lost out because the asymmetry of motivation was in favor of Microsoft.

The asymmetry of motivation to show tremendous commitment; asymmetry of motivation to make sacrifices; asymmetry of motivation to work that extra hard; asymmetry of motivation to be aggressive; all those things were there with Microsoft. Very interestingly, on rare occasions, even large incumbent organizations show such motivation to fight the new entrants. Ironically, a great example of this is how Microsoft, by then a large organization itself, regrouped quickly to release Internet Explorer to the market to beat Netscape. In other words, here is a great example of a large organization showing asymmetry of motivation to beat a small, nimble, new entrant to the marketplace.

CEOs need to change first

CEOs need to reexamine their traditional mindsets on innovation to make any difference to their organization's future

By Bhupendra Sharma

As more and more organizations get on to the Innovation bandwagon, there is a need to look at how these attempts can be made to succeed. While the good news is that lots of organizations have woken up to think differently in the way they conduct their business, the challenge however remains in how the leadership engages and guides the innovation attempts. Here are some shifts that the business leaders in organizations need to make:

Engage, don't preside

In a recent session with the top 50 managers in an organization I found the CEO and his deputies walking around the task tables with folded hands. This was a three-day exercise in finding new ideas to grow their business. On the third day they sat in a row like 'Lords' asking each group to make their presentations.

They successfully found loopholes in each asking the team to rework and get back to them. I found it difficult to understand why they couldn't give their inputs to the teams while they were thinking for two days. The result was a deflated team. This traditional mindset of 'Presiding over' rather than engaging with the organization to find ideas is a huge challenge that leadership must overcome if they have to succeed with innovation attempts.

This mindset also manifests in usual 'communication' exercise or 'town hall' addresses where the CEO talks about innovation without having a single breakthrough agenda for himself.

Narrow understanding of Innovation

While the discipline of innovating as a management tool is in its infancy world wide, yet leaders attempting to undertake this journey need to broaden their understanding of innovation.

Doblin Consulting, a US based firm, recently shared an interesting finding. In the last decade companies have spent maximum time and energy on 'Product Innovation' but the maximum value was created in the area of business model/ strategy innovation. *e-chaupal* of ITC is one such example.

Most leaders relate innovation to R&D or products and hence limit the potential of their people to create breakthrough in the other parts of business. As a result many business leaders wouldn't even recognize what else is being innovated and who else is innovating. Ask them which companies come to their mind when we talk of innovation – "3M and Sony" the same old stories.

Delegation does not work

Most business leaders find it easy to delegate innovation initiatives to human resources department and very often the HR department gets into this tizzy of identifying a good "Creativity and Innovation" trainer. The assumption being that good innovation skill input suffices and that would create breakthroughs in business results. It seldom happens that way. Most of the time the statements I hear are: "we are doing innovation training because the MD wants it". The challenge for the leadership is to identify Innovation Sensitive Areas (ISA) in their business and then engage with and enroll passionately other department leaders to find ideas to create the breakthrough.

This traditional mindset of 'Presiding over' rather than engaging with the organization to find ideas is a huge challenge that leadership must overcome if they have to succeed with innovation attempts

A sad commentary on delegation is when consumer insights too get delegated to outside agencies. This is a cold-hearted way of finding customer insights. It's no secret that agencies have a minimum stake in the breakthroughs their clients are looking for. C.K. Ranganathan of Cavin Kare does it differently though, he believes in engaging directly with the consumers and not delegating or outsourcing insights.

Pioneers Vs. Settlers

Settling is an unfortunate mindset most business leaders operate with. It manifests during visioning exercise for their organization. They often look at benchmarks and reference points already achieved and plan their growth accordingly. Imagine a new company's leadership team sitting for three days and envisioning what they would be like in the year 2010. I was stunned to know the output. They wanted to be a billion dollar company in the next six years, a reference point already achieved by some company in the same sphere in 2004.

The challenge for business leaders is to pioneer new achievement reference points to set goals that have not even been attempted before. That would create compelling energy and engagement to bring about revolutionary thoughts and ideas. Recently we met an executive from Unilever who summed it up appropriately: "we understand the innovation process and we have hundreds of pages explaining the process, but we are not innovative".

The author is with Erehwon Innovation Consulting, Bangalore. www.erehwonconsulting.com

Success is all about having right strategy

Jack Trout is one of the world's leading experts and pioneers in the marketing arena. He developed the vital approach to marketing known as "positioning," and is responsible for some of the freshest ideas to be introduced into marketing thinking in the last several decades.

Trout is skeptical of marketing buzzwords like "synergy" and "unique tags"- and indeed of the whole "creative" approach that tries to forge emotional bonds between brand and customer rather than communicate concrete ideas. Much of his advice, therefore, flies in the face of modern marketing wisdom: ads should emphasize verbal messages rather than "dramatic visuals" that "distract people from the message"; money spent on flashy corporate logos is often wasted; and high-faultin' consumer research techniques, such as focus groups and "ethnographic" studies of families in their suburban habitat, are often useless. Trout advocates simple, obvious, oft-repeated ads, preferably with rhyming slogans, to communicate a single "differentiating idea" that will distinguish a brand from all its competitors.

Here's a short chat he had with *ManagementNext* during his recent visit to Bangalore.

You wrote The 22 Immutable Laws of Marketing many years back. Have you changed any of them or intend to do so; or are you planning to add anymore?

No. They are immutable. They cannot be changed. They are fundamental and I call them 22 commandments.

Any interesting twists?

I expanded on a few. For example, I've spoken about differentiation and the law of division.

How's your bottom up marketing concept relevant to a developing country like India?

What I essentially said in the book is that leaders have to know what is working for them in the marketplace and elevate it to a strategy based on that experience. Top down strategy no longer works.

To be a great strategist, you have to put your head in the mud in the market and leaders should be after honest and real facts. Don't get confused by market research. Today, everyone talks of people being the greatest differentiator, yet you still believe that right strategy is what makes the difference to organizations…. Success is not about having the right people, the right attitude, the right tools, the right role models, or the right organization. They all help, but they don't put you over the top. It is all about having the 'right strategy'. Strategy sets the competitive direction, strategy dictates product planning, strategy tells you how to communicate internally and externally and strategy tells you on what to focus

What's you view of marketing in India?

India is raising its skill levels in marketing like in other areas. Indians are instinctively very good entrepreneurs, like the Chinese. Give them some infrastructure and some rope and they will build on it. Indians are getting good at the hi-tech stuff but they should not turn opportunities in areas such as the BPO into a commodity business, just like the problem Chinese faced in manufacturing. China is now moving up the value chain and is investing in branding. Indians should do the same.

Marketers should think financially: Kotler

Marketing guru Philip Kotler was in India recently. Having come all the way – from when marketing was noting more than advertising and promotions to an age when we are talking about return on marketing investment – Kotler is getting tough on the marketing professionals. Here's a sample of what he told the media on course to a summit.

On accountability Kotler said: "We demand accountability from almost all company operations. Why not marketing? CEOs and CFOs are getting more demanding with marketing people and want them to justify marketing expenditures in terms of financial results. CEOs and CFOs want a large budget request to be accompanied by an estimated ROMI (return on marketing investment). Admittedly, this involves a lot of guesswork. But the discipline of getting marketers to think financially is vital. Marketers won't get more respect until they are more fluent in the language of finance.

The only concern, he wondered, is whether marketers will become more risk averse when they think financially and avoid launching more creative projects that might have a wider variance of outcomes.

The new-age marketer needs to acquire more skills to be effective. Some of them are: Brand building skills and positioning skills; Database management and data-mining skills; Customer and partner relationship management skills; Customer profitability measurement skills; Public relations and buzz marketing skills; Event management and experiential marketing skills; Direct mail, catalogue marketing, and telemarketing skills.

Is it time to say goodbye to coding?

Business Process Management Systems (BPMS) is emerging as an entirely new approach to software applications. It promises to take software significantly closer to real life business environment

By Ranganath Iyengar

The software industry began in the late 1950s, expanded rapidly creating huge demand for programmers. Some of the earliest companies founded were ADP (1949), CUC (1955), ADR and CSC (1959). All such companies hired armies of programmers for skills and services. *(Source: www.softwarehistory.org).*

The Micro Era (1980 onwards) dramatically reduced the price of computing making computing, ubiquitous. Software architecture has not changed much and most programming languages today are between 15 and 40 years old. 4GL never achieved the dream of "programming without programmers" and the idea is pretty much limited to report generation from databases. *(Source: Robert L Glass, In the beginning: Recollections of Software Pioneers)* Is there a simpler and better way? read on…

The end user perspective….

Despite significant advances in software, the customer has to:

- Invest in expensive BPR and change processes to adapt to software (inflexible)
- Depend on the software vendor for costly, inefficient and resource intensive upgrades, fixes, etc (high maintenance and resource dependant)
- Repeatedly invest and replace technology that impacts ROI - and dream of large scale integrated IT! (high TCO)
- Modern organizations have constantly changing business processes – traditional software does not address this aspect (change management)
- Organizations grow but software systems often are not designed to grow commensurately and often end up under performing (scale complexity)
- Technologies are not interoperable and this leads to over engineering or over investing in technology (lack of standardization)
- The customer is worried about internal business processes being shared with externally and the inability to control 'source code' (intellectual property)

Software evolution and the BPM revolution

In the COBOL era, everything had to be coded including data. This resulted in 'huge' software inventory. Things changed significantly when relational databases evolved, creating 'data independence' - users could manage the entire data layer efficiently. Applications became significantly 'lighter' since a lot of data management features were left to databases.

When case & RAD tools evolved, code generators appeared and boosted productivity since code was machine generated leaving engineers to focus on design, size elements and functionality. However, this did not reduce the need to support/ maintain software.

The internet ushered in efficiency in interaction and concepts of e-commerce, e-business, flexible data formats, communication exchange and highly available secure infrastructure emerged.

Yet, users really craved for 'process independence'. Initial approaches towards this concept appeared through 'workflow management' applications which mapped business workflows based on user needs and made software look closer to real life business environments.

Business Process Management Systems (BPMS) has moved software very close to the user's real life business environment. BPM is defined as a "commitment to expressing, understanding, representing and managing a business in terms of an independent collection of business processes responsive to an environment of internal and external events".

What does BPM really do?

- A business analyst or a domain user can 'create' applications with practically minimal 'coding'
- The 'source application' truly reflects business processes which the user is familiar with within the business environment,
- 'Maintainability' and 'change management' is very easy since applications do not have to 'recompiled' after changes,
- Software becomes 'domain agnostic' to the end user.
- Applications can be created in days and weeks not months!

There are several companies working on this path-breaking technology approach. BPM tools are available from FileNet, Fugeo, Handysoft, Staffware, Lombardi Software, Pegasystems, Savvion, Metastorm, Intalio, Ultimus etc.

There is still a long road ahead – BPM technology needs to become industrial strength for large and diversified enterprises to use it on an enterprise scale and users need to feel truly empowered using the technology. Habits die hard – we need to go beyond the tradition of cutting code….!!

Blue Chip Infoway

Blue Chip Infoway Pvt Ltd (www.bify.net) incorporated in 1990 at Bangalore, first created a bestseller first product called Profit (SME financial accounting package) which had 7000 users. Strong customer feedback made them realize the pitfalls of being a marginalized single product company.

Using 'process independence' as the central idea, they spent seven years to create a patent pending technology that allows end users to render applications effortlessly with almost no coding. In less than 18 months, they have 450+ customers in India and overseas.

BPM is an entirely new approach to software applications and makes a bold statement to 2-3 decades old thinking. It takes software significantly closer to real life business environments and is the right approach to make users feel empowered and more in control. The only way to move to this platform is to shrug off the notion that software = coding…!!

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Controlling IM Usage:Content and collaboration strategies

October 2004

Use of both personal and business instant messaging (IM) within the organization continues to increase dramatically with little or no understanding of best practices concerning governance and technology management. The first step should be to revise policy guidelines that are already in place for other communication mediums (e.g., e-mail, phone, Internet) to immediately address the use of IM within the enterprise.

As ad hoc electronic communication grows in importance (e.g., e-mail, instant messaging, Web conferencing), organizations will be challenged to create a hygienic and low-cost infrastructure. Through 2006, special attention will be focused on spam blocking and policy enforcement (e.g., regulatory compliance).

By 2007, rising electronic communication volumes will frustrate users coping with information overload and drive organizations to employ common filters, queuing services, and categorization engines to ease communication burdens.

http://www.itproportal.com/

Debriefing Gerry Roche: So You Want to Be the CEO?

October 2004, Lauren Keller Johnson, Harvard Management Update Article

You've been laying the groundwork for years, acquiring a broad array of skills and proving your executive mettle at multiple levels in your company. You've got your eye on a top job, and you know that's where you belong. But you're also fully aware that competition for the C suite is stiff and that readiness, enthusiasm, and an admirable track record aren't enough to guarantee anyone a senior leadership position. So how do you improve your chances? Gerry Roche, senior chairman of Chicago-based executive search firm Heidrick & Struggles, offers potent guidelines that leaders bent on occupying a top rung on the corporate ladder often overlook.

Comparing development models in China and India

China and India share tremendous energy and economic dynamism, but their formulas for achieving success are very different. In "China and India: The race to growth," we offer the opinions of three expert voices on the competitive edges that the countries tap, as well as the longer-term prospects for each.

www.mckinseyquarterly.com/newsletters

Contracting Prematurely: Rushing Into Outsourcing and Betting on the Benefits to Come

Outsourcing & Service Provider Strategies, October 2004

Demands on organizations to improve business performance are driving them to consider new solutions to old problems. Outsourcing is not new, but if done properly, it can be effective in reducing costs, improving service levels, and creating flexibility.

Too often, organizations begin outsourcing efforts prematurely, frequently as an attempt to just make it happen - with these presumed and promised benefits.

META Group research consistently reveals that the firms that outsource successfully are those that conduct the requisite homework at the beginning of the outsourcing initiative.

www.itportal.com

Championing the EA Cause

October 2004

Many enterprise architecture (EA) efforts fail without a commitment and an understanding from senior management, enterprise architects, and other EA participants. One of the keys to succeeding is finding an effective EA champion.

META Trend: By 2007, 50 percent of Global 2000 enterprises will move beyond a pure technology architecture focus to include enterprise business architecture, enterprise information architecture and enterprise solution architecture. Architecture teams that fail to move beyond the technical focus will come under increasing pressure to demonstrate business value.

Social Stratification in China during the Age of Transition

1995-present Andrew G. Walder

Assesses the impact of the Chinese Revolution and the 1949-79 socialist system on patterns of status inheritance and individual opportunity, and the subsequent impact of post-1980 market reforms on the patterns established in the Mao era.

http://aparc.stanford.edu/research

Research on the Chinese and Asian Economies

1995-present, Lawrence J. Lau, Lawrence J. Lau

The reform, transition, and long-term growth of the Chinese economy continue to be significant research interests of Professor Lau and his project members.

A recent new direction of this research has been to analyze, with Professor Yingyi Qian of the University of Maryland and Professor Gerard Roland of the Free University of Brussels, the relative desirability of the dual-track approach to market reform adopted by Chinese policymakers, versus the "big bang" approach. Lau also continues to maintain and update an econometric model of the Chinese economy, a project on which he has been working for a number of years, and to develop an up-to-date economic database for China.

http://aparc.stanford.edu/research/2030/

What companies state and what they actually mean

- **Competitive salary**: We remain competitive by paying less than our competitors.
- **Some overtime required**: Some time each night and some time each weekend.
- **Sales position requiring motivated self-starter**: We're not going to supply you with leads; there's no base salary; you'll wait 30 days for your first commission check.
- **Self-motivated**: Management won't answer questions.
- **Casual work atmosphere**: We don't pay enough to expect that you'll dress up; well, a couple of the real daring guys wear earrings.
- **Competitive environment**: We have a lot of turnover.
- **Some public relations required**: If we're in trouble, you'll go on tv and get us out of it.....
- **Duties will vary**: Anyone in the office can boss you around.
- **Career-minded**: We expect that you will want to flip hamburgers until you are 70.
- **Seeking candidates with a wide variety of experience**: You'll need it to replace three people who just left.
- **Problem-solving skills a must**: You're walking into a company in perpetual chaos.
- **Good communication skills**: Management communicates, you listen, figure out what they want you to do.
- **Ability to handle a heavy workload**: You whine, you're fired.
- **Flexible hours**: Work 55 hours; get paid for 37.5.

Source: http://www.effect.net.au/lukastan/humour/Jargon/Work-Jargon.htm

Fear, Uncertainty, Doubt (FUD)

The term, which stands for fear, uncertainty and doubt, was originally coined in the 1970s in reference to IBM's marketing technique of spreading rumors about a competitor's new product to dissuade customers from taking a "risk" by buying it. FUD relies on emotion—not reason—to make a sale (or prevent one). In the security department it takes the form of scare tactics used to persuade adaptation of certain practices or acquire funding.

More generally the tendency of human beings to let negative emotions such as fear, uncertainty, and doubt constrain their choices and decisions, which might otherwise be based on a more rational or pragmatic basis. It's a marketing strategy to get consumers to choose a particular brand (or, more often, pass up a competing brand), or purchase a good or service they might not actually need, using the emotional factors.

Family Business: Why Firms Do Well When

Despite the lack of independent directors on their boards and voting power for minority shareholders, family-run companies are still the better bet for all stakeholders as long as the founder of the firm is involved as chief executive officer or chairman. If the descendent of a founder runs the company, value is lost.

Those are some of the conclusions of a paper by Wharton professor Raphael (Raffi) Amit and Harvard Business School professor Belen Villalonga. The paper - *"How Do Family Ownership, Control and Management Affect Firm Value?"* - suggests that family ownership of corporations performs better than non-family firms when the founder serves as the CEO of a family firm or as its chairman with a hired CEO. When a descendent serves as the CEO of a family-run company - even if the founder remains chairman - the firm's market value declines.

Amit and Villalonga analyzed proxy data on all Fortune 500 firms from 1994 to 2000. For the purposes of the study, a family firm was defined as a company where the founder or member of the family by either blood or marriage was an officer, a director or the owner of at least 5% of the firm's equity either individually or in a group. Some of the most successful U.S. companies, including Wal-Mart, Home Depot, Heinz, Rubbermaid and Black & Decker, are family-run. The hallmark of each of these companies is a founder who had vision and the managerial skills to rally employees around a business.

But performance slips when the founder's vision is diluted by descendents, as shown by such firms as Ford Motor and Motorola. William Ford Jr., a fourth generation descendent of Henry Ford, now runs the giant auto manufacturer, which recently reported that September sales fell 7% from a year ago - in part a reflection of stiff competition from Japanese rivals. William Ford Jr. had been brought in three years ago to revive the company. Wireless phone maker Motorola, facing tough competition from Nokia and Samsung, saw CEO Christopher Galvin, whose great-grandfather founded the company, officially hand over the reins to former Sun Microsystems executive Edward Zander in January.

By the numbers, family firms in Amit and Villalonga's sample are younger (62.68 mean years vs. 72.19 for non-family firms), deliver better sales growth (19.6% for family firms vs. 13.8%) and have higher return on assets (11.6% vs. 10.9%). Amit points to some of the negatives of family businesses - notably different levels of voting rights among shareholders, cross-holdings and voting blocks, all of which are designed to keep company control in family hands.

But even with those control issues, family-run companies still do better for shareholders if the founder remains involved. The ideal family company for minority shareholders is one where the founder is CEO or chairman of a firm that does not have any control-enhancing mechanisms such as Class A and Class B super voting and nontradable shares.

Why Founders Matter

The goal of Amit and Villalonga's project was to ask whether they perform better for shareholders. That said family firms seem to outperform their non-family counterparts for two reasons. Many non-family companies suffer from the standard conflict between management and shareholders over such issues as returns, management pay and governance. "This conflict between owner and manager is standard in widely-held firms," says Amit. "In a family-run company, the manager and owner are the same and so the conflict doesn't exist."

"Founders instill commitment into the entire employee base. That makes the company better. Non-family companies don't have that."

Family firms do carry the baggage of tensions between majority and minority shareholders; however, stockholders are still better off because there is a higher cost to the shareholder-owner conflict compared to squabbles between minority and majority shareholders. Although those conflicts may help or harm results, the real reason family companies seem to work is their link to founders. "We don't go into the effects of founders specifically, but there is an effect," says Amit. "Founders instill commitment into the entire employee base. That makes the company better. Non-family companies don't have that."

Such reasoning is why struggling companies often bring back their founders to right the ship. Apple Computer co-founder Steve Jobs returned to the company in 1997 as interim and later permanent CEO, and turned the company around with new products such as the iMac and iPod. PeopleSoft ousted CEO Craig Conway Oct. 1 and brought back founder David Duff. Charles Schwab's founder and chairman stepped back in as CEO in July after the company announced a 10% drop in earnings for the quarter.

Amit's and Villalong's findings illustrate the founder effect. According to this research, firms with a founder-CEO at the helm have the best mean ratio of market value to assets, also known as Tobin's q. Firms with a founder-CEO and chairman had a mean Tobin's q of 3.12. Firms with a founder as chairman and an outside CEO scored almost as high (2.81). The founder-performance link, however, seems to break when descendents enter the picture. When the founder is succeeded by a descendent as chairman, Tobin's q drops by a full point to

Founders Are at the Helm

1.81. The ratio of market value to assets drops further when the CEO is also a descendent.

The lesson: Family run companies need to have the founders involved to succeed. “Our results confirm that founders bring valuable skills to their firms,” write Amit and Villalonga. “However, when we look at the chairman’s position as well as the CEO’s, we find that founders’ skills are almost as valuable when they bring them to the firm through their position as chairman but have a hired CEO in place. One likely explanation for this is the nature of the skills that founders bring to their firms: Founders may be inspiring leaders, great visionaries, or exceptionally talented scientists. But they may not-and need not-be good managers as well.”

The Corporate Family Tree

Despite the definition of ‘family firm’ offered earlier, it isn’t always clear what constitutes a family-run company. There are companies such as Hewlett-Packard, founded by Bill Hewlett and David Packard, whose families now control large blocks of shares in H-P. The Packard family owns twice as many shares as the Hewlett family and is deemed the controlling family by Amit and Villalonga. Cereal maker Kellogg Company is controlled by the W.G. Kellogg foundation. Fashion retailer Nordstrom is another family-run firm.

But other situations aren’t as obvious. Time Warner became a family firm in 1996 as the result of the acquisition of Turner Broadcasting System, whose founder, Ted Turner, became the largest shareholder in the merged entity. The Ochs-Sulzberger and Graham families took over the New York Times Co. and Washington Post Co., respectively, by acquiring bankrupt companies. Amit aggregated family ownership across all family members and representatives as well as share held in trusts.

Once family ownership is established, firms fall into the following broad categories:

- Family firms with controlling mechanisms and a family CEO. In these companies, families control the company through mechanisms such as super-voting shares, which may not trade publicly and give the family a certain number of shares of voting power for every share they own.
- Family firms with controlling mechanisms but no family CEO. These firms have a structure that keeps family voting power, but hire outsiders to run the company. Ford hired Jacques Nasser as CEO in the 1990s, for example, before handing the reins back to a Ford descendent.
- Family firms with a family CEO but no control-enhancing mechanisms.

In all those cases, whether the founder is involved in the company seems to be the biggest differentiator behind its success.

Good Governance

Although family companies often lack independent directors and give insiders more voting power, they still managed to score higher on corporate governance than non-family companies. To Amit, this finding is one of the more surprising conclusions.

On the corporate governance index, family-run companies had a mean score of 9.05 compared to a non-family firm score of 10.02. A lower score is better. “The family firm is often cleaner,” says Amit, who adds that family firms have fewer “golden parachutes” for executives and don’t have change-of-control provisions to line executive pockets in the event of an acquisition.

Nevertheless, that’s not to say there are no governance issues, Amit adds. Family companies are more likely to employ measures to keep control of the company by issuing shares differentiated by voting power. Families own 16% of the equity of the Fortune 500 firms they represent, but 50% of them use control-enhancement mechanisms. In contrast, 13% of the non-family firms use control-enhancing techniques. These methods allow family shareholders to have more voting power than their ownership stake would suggest.

According to Amit and Villalonga, family firms also maintain control in another way: They keep the percentage of non-family shareholders low. In addition, family firms have a significantly lower proportion of independent directors compared to non-family companies, says Amit. But even when all the potential governance issues are weighed, he adds, family firms still come out ahead.

Being a shareholder of a company that lacks independent directors and keeps voting power with one family may seem counterintuitive given today’s focus on corporate governance. But the bottom line is family-run companies are valuable - especially when the founder serves as chairman and CEO and creates a positive corporate culture for the firm’s employees.

“Altogether, our findings suggest that in order to understand whether and when family firms are more or less valuable than non-family firms, one must distinguish among three fundamental elements in the definition of family firms: ownership, control, and management,” write Amit and Villalonga. “Despite the costs associated with the family’s excess control,” they add, “the benefits of family ownership make minority shareholders of founder CEO family firms better off than they would have been in a non-family firm.”

Joint Sales Promotion: Prospects and Issues

Sonal Kureshi & Preeta Vyas, IIMB Management Review September, 2004

In an attempt to examine the current practices of joint sales promotions and draw managerial implications for the same, Sonal Kureshi and Preeta Vyas reviewed advertisements for joint sales promotions for one year, in two dailies with a very wide circulation in central India, and analysed the contents.

The content analysis revealed that 'target market commonality' was the prime reason for companies offering joint sales promotion. Other reasons were: to reward and retain existing consumers, to extend the user base, to induce trial of a new product by cashing in on the established brand, to push slow moving brands/models, to counter competitors' offers, to clear inventory, to increase footfalls at retail outlets, to increase visibility and extend reach, and to enhance brand value. Usage of joint sales promotion was most prevalent in the consumer durable category, the free gift being the most common offering.

There exists a prospect for using joint sales promotion in the non-durable category. The authors suggest a framework for planning joint sales promotions, which includes carrying out an audit of the brands and products, market and customer characteristics. Identifying a suitable partner, planning and co-ordination are the main issues for a manager wanting to use this tool.

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

Six Asian Case Studies

To draw some general principles, at least for developing Asia, Asian Development Bank assesses FDI inflows (and outflows), patterns, and policy regimes in six developing Asian countries, in the context of general economic trends, ownership structures, and policy reforms. One of the major arguments of this part of the *Asian Development Outlook 2004* is that trade reform alters the incentive of production for the domestic market relative to exports, resulting in a fundamental shift in the behavior of MNEs and in the FDI cost-benefit calculation. The countries covered include India, China, North Korea, Malaysia, Thailand and Vietnam.

All six have performed creditably for most of the past two decades. Their real per capita incomes in 2002 were at least double those of 1980, and more than five times higher in the case of the PRC. Since 1990, the PRC has consistently recorded impressive economic growth, to the point where it is now the East Asian growth locomotive, and a major global economy. If its current growth rates are maintained, it will become the world's largest economy (in purchasing power parity terms) in a very few decades. Korea, Malaysia, and Thailand all grew at more than 6% until the Asian economic crisis; Thailand was the world's fastest growing economy in the decade from the mid-1980s. All three experienced a sharp contraction in 1998, but recovery has been fairly rapid. Viet Nam grew strongly for most of the 1990s, with slower (but consistently positive) growth during the crisis. Until very recently, India never achieved the very high growth rates of the others. However, reforms from the late 1980s lifted its performance significantly, and it was largely unaffected by the crisis.

http://www.adb.org/Documents

PeopleSoft's crisis communication response to the Oracle takeover bid

by Abigail James

In part one of this case study, PeopleSoft's articulated communications plan began to generate goodwill and strengthen its position in the marketplace. Now, with the stage set and the battle lines drawn, PeopleSoft set out to deliver its message in a variety of voices. This case illustrates the power of a coordinated PR response to a crisis situation.

http://www.marketingprofs.com/

Li Ka-Shing

Bridget Gurtler , Nitin Nohria, August 2004

From his humble beginnings in China as a teacher's son, a refugee, and later as a salesman, Li provides a lesson in integrity and adaptability. Through hard work, and a reputation for remaining true to his internal moral compass, he was able to build a business empire that includes: banking, construction, real estate, plastics, cellular phones, satellite television, cement production, retail outlets (pharmacies and supermarkets), hotels, domestic transportation (sky train), airports, electric power, steel production, ports, and shipping.

Xerox PARC

The story begins in the 1980s. We were looking for ways to boost the productivity of the Xerox field service staff. Before deciding how to proceed, we launched a study. An anthropologist from the Xerox Palo Alto Research Center (PARC), a member of the work-practices team, traveled with a group of tech reps to observe how they actually did their jobs — not how they described what they did, or what their managers assumed they did. That research challenged the way Xerox thought about the nature of work, the role of the individual, and the relationship between the individual and the company. It was the first shot in a revolution.

Here's what the anthropologist saw: Tech reps often made it a point to spend time not with customers but with each other. They'd gather in common areas, like the local parts warehouse, hang around the coffee pot, and swap stories from the field.

Some of the interesting revelations of the study project are: Processes don't do work, people do. Look closely. Learning is about work, work is about learning, and both are social.

Life is shallow without spirituality

Life attains its richest form through the spiritual dimension. Without it life becomes very shallow and you are unhappy, dependent, depressed and miserable

Life is more than matter. If it were just matter, there would be no need for comfort. Matter does not feel comfort or discomfort, beauty or ugliness, love or compassion, joy or sorrow. Will a chair ever feel sorry or happy? No, matter does not have these finer values. They belong to the realm of the spirit. But life is also more than spirit. If it were just spirit, there would be no need for water, food or rest. Human life is a combination of both matter and spirit.

Spirit experiences and expresses values. Values are feelings and emotions — that which cannot be captured totally by words or understood by the intellect. The goal of the spiritual path is to understand the spiritual dimension of life and live fully all the values that the spirit represents. What are those values? Peace, love, joy, beauty, unlimited knowledge, and the capacity to understand both mind and matter.

Whatever one does is directed towards one goal — happiness, or comfort. Often people think that comfort comes in a material way — through matter alone. No, comfort is a quality of consciousness. To some degree it does depend on matter, but to a greater degree it depends on attitude and understanding.

You listen, you understand and you absorb. Who understands? Who is absorbing? It is the spirit in your body that is taking in the knowledge. And this knowledge is not coming through sight, sound, smell, taste and touch alone. It is also coming from inside as intuition.

You can say that at every level of consciousness, knowledge is present. And consciousness is present! If it were nothing, it could not be present. It is something — yet it is not finite. You cannot measure consciousness, so it is present and infinite.

You are love. Consciousness is peace. You are peace; you are truth; and you are energy — walking, moving, talking, and sitting. The self is energy and the self is knowledge, the knowing and the knower. Understanding and living this is the spiritual life. Life attains its richest form through the spiritual dimension. Without it life becomes very shallow and you are unhappy, dependent, depressed and miserable.

Spirituality and society

This is a great sense of belonging, responsibility, compassion and caring for the whole of humanity. The spiritual dimension — in its true form — smashes the narrow boundaries of caste, creed, religion and nationality. Wars will be eliminated only through spiritual understanding.

Actually, the spiritual path makes life more difficult! In India people think the spiritual life is easy — go to an ashram where you don't have to work hard. No! The spiritual path is not an escape from hard work or sincere action, just as social service is not an escape to a comfortable life. In both situations you have to put your heart and soul into your actions and be ready to give yourself hundred percent. The spiritual life will bring you enormous joy, more contentment, more peace and more energy than you can find — but it's not an escape. Remember that.

The spiritual path means taking responsibility. If you think it is difficult to manage your children and your husband or your wife, you will be given more people to care for. If you are ready to take responsibility for twenty people, two thousand people or 20 million people — then you are on the path. The spiritual path is not an escape from responsibility, but taking responsibility.

Intelligent, effective work is part of the spiritual life. When you are working hard you may think you deserve compassion. I say that if you are working hard and doing it with intelligence, then you need appreciation — not compassion. If someone is taking five hours to complete something that can be done in half an hour, it doesn't need compassion.

Knowing peace

Another aspect of spiritual life is peace — knowing that peace is your nature. At any moment, in any place, you can just sit and let go, knowing inside you there is a pure clear space that's vast and deep. That inner space is what you are. Feeling this is knowing your spiritual dimension. "I have come from peace, I am in peace, I will go back to peace. Peace is my origin and my goal" — this inner affirmation or experience makes you a seeker.

Still another aspect of spiritual life is a sense of sacredness. When you have a deep sense of thankfulness combined with regard and respect for everything that comes to you in life — it brings a sense of sacredness. And in sacredness there is awareness. Your mind is fully present in fear, anger or sacredness.

Excerpts from a recent talk given by Sri Sri Ravi Shankar, founder of the Art of Living Foundation .

Annoncement

Art of Living meet on corporate culture

The Art of Living Foundation is hosting a three-day international summit on corporate culture for the second time in Bangalore between November 19 and 21. Business leaders from across the world are expected to take part. The meet is aimed at bringing business and spiritual leaders together to explore ways of integrating spiritual values into business.

Remaking India:One Country, One Destiny

Arun Maira, Boston Consulting Group, New Delhi

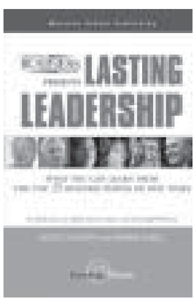
Sage Publications Pvt. Ltd. Price: Cloth – Rs. 550, paper – Rs. 295

In this book, one of India's foremost business consultants provides an invaluable insight into India's current economic problems and how they can be resolved.

Taking a close look at the current scenario as well as analyzing the future, the book discusses various critical issues including: planning and legislating for holistic growth and development; what businesses need from the government to grow in the right direction; the need for collaboration between business and government; and corporate responsibility and its role in growth and development.

Lasting Leadership: Lessons from the 25 Most Influential Business People of Our Times

Published: October 2004, Wharton Business School, Mukul Pandya, Robbie Shell, Susan Warner, Sandeep Junnarkar, Jeffrey Brown



In June 2000, John Bogle, founder and former CEO of The Vanguard Group, spoke about leadership at Wharton. He concluded his talk by quoting a colleague who once remarked that "when all is said and done, it really comes down to this: People are leaders because they choose to lead."

Bogle is one of 25 individuals profiled in this book written by Knowledge@Wharton in collaboration with Nightly Business Report (NBR).

The book, published by Wharton School Publishing, includes interviews with many of the 25 leaders, timelines of their lives, and discussion of eight attributes that have enabled them to succeed in their respective fields.

Harvard Business Essentials: Coaching and Mentoring

Improving Performance Collection, August 2004

This essential volume provides comprehensive advice on how to approach specific mentoring challenges, improve listening skills, and help your employees achieve their goals. The topics include leading and motivating, assessing performance, coaching, and giving and receiving feedback. You'll have quick and easy access to each topic in the format you prefer, plus useful tools to help you apply what you've learned to your own situations. The comprehensive coaching and mentoring guide from the Harvard Business Essentials series enhances your learning by covering the full spectrum of effective mentoring and the nuts and bolts of coaching.

How Brands Become Icons: The Principles of Cultural Branding

Sep. 2004, Douglas B. Holt, HBS Press Book

Coca-Cola. Harley-Davidson. Nike. Budweiser. Valued by customers more for what they symbolize than for what they do, products like these are more than brands—they are cultural icons. How do managers create brands that resonate so powerfully with consumers? Based on extensive historical analyses of some of America's most successful iconic brands, including ESPN, Mountain Dew, Volkswagen, Budweiser, and Harley-Davidson, this book presents the first systematic model to explain how brands become icons. Douglas B. Holt shows how iconic brands create "identity myths" that, through powerful symbolism, soothe collective anxieties resulting from acute social change.

Purchasing In the 21st Century

Second Edition. By John E. Schorr, Approx Rs 4374.00)

This valuable resource demonstrates how to improve purchasing operations through supplier scheduling and the integration of purchasing with other initiatives such as Manufacturing Resource Planning (MRP II), Just - In - Time (JIT), and Total Quality Management (TQM). Along with new material on emerging technologies, vendor managed inventory and supply chain management, seasoned consultant John E. Schorr offers a solid framework for bettering purchasing systems through a rigorous evaluation of current business structure.

kkbooks@vsnl.com

Sun Tub Strategies for Selling: How to use The Art of War to Build Lifelong Customer Relationships

Michaelson, gerald a., rs.175.00, tata mcgraw-hill

Through his best selling books and popular seminars, Gerald Michaelson has established himself as the worlds leading interpreter of Sun Tzu's timeless strategies for the modern business audience. *In Sun Tzu Strategies for Selling*, the author of the best selling *Sun Tzu: The Art of War for Managers* interprets the theorists classic battle strategies specifically to help salespeople win on the increasingly competitive sales battlefield.

Packed with brilliant insights that will help anyone who sells prevail over any competitor, this new translation of *The Art of War* includes special notations underscoring the relevance of Sun Tzu's writings to sales strategy. It also transforms Sun Tzu's wisdom into contemporary sales advice, object lessons, and real-life how-to's, such as: Get your strategy straight. Win without fighting. Have a unique selling proposition. Know your competitor. Aim for big wins. Learn from lost sales.

Reflections and Mobilizations: Dialogues with Movements and Voluntary Organizations

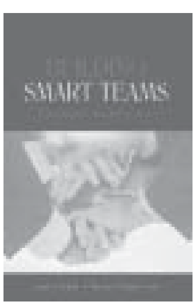
Ananth Kumar Giri, Madras Institute of Development Studies, Chennai, Rs.750, November 2004, SAGE India

This unusual book is about a more humane world in the making. It describes the visions, experiments, struggles and aspirations of several social movements and voluntary organizations from India and other parts of the world which are striving to realize new modes of human development in various fields—education, religion, human rights, tribal development and community development. The author shows how these movements and organizations touch on many key contemporary issues—self-development, reconstitution of public space and reconstruction of government.

The book is structured as a series of dialogues where the participants critique their lives, as also their organizations or movements. The objective of putting together these dialogues is to facilitate a learning process between scholars and activists and across movements and organizations.

Building Smart Teams: A Roadmap to High Performance

Carol A Beatty, Queen's University Industrial Relations Centre, Ontario
Brenda A Barket Scott, Queen's University Industrial Relations Centre, Ontario
October 2004, Response Books, Rs.295

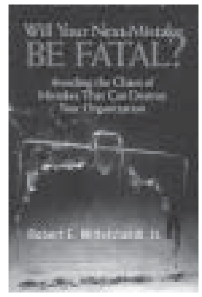


This is an essential guide to creating high-performance teams fast. Based on research results from close to 2,000 individuals organized in more than 250 teams, this text identifies the three critical skills that teams need and shows how to transfer these skills to a group. This book is packed with exercises, diagnostic tools, tips, and techniques to use with groups which are time-tested with more than 100 groups trained by the authors.

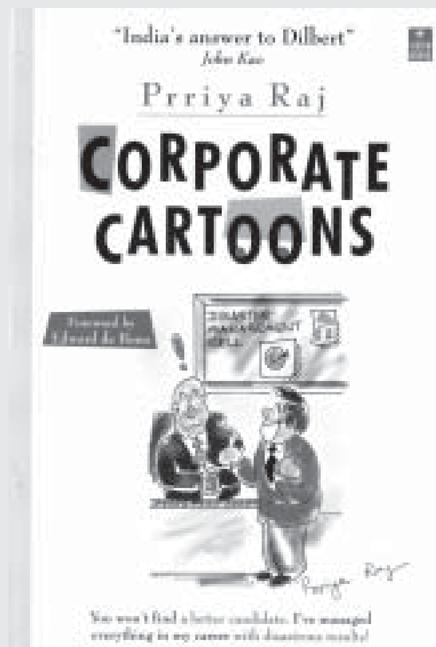
Will Your Next Mistake Be Fatal?: Avoiding the Chain of Mistakes that Can Destroy Your Organization

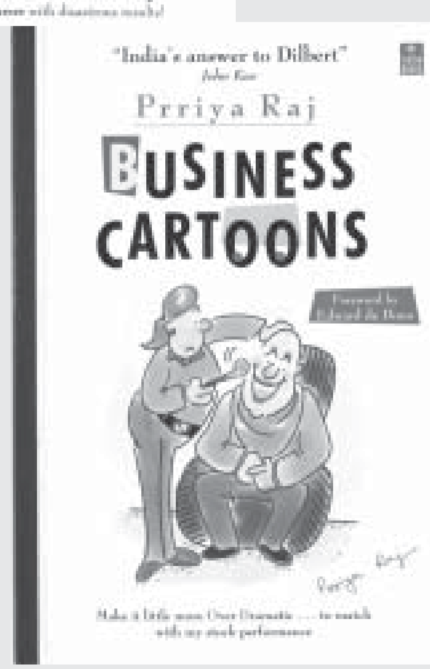
Robert E. Mittelstaedt, Jr November 2004, Wharton School Publishing

In 1980, one year after the Three Mile Island (TMI) nuclear power plant disaster, Robert E. Mittelstaedt, Jr. served as a consultant to the Nuclear Regulatory Commission. In that capacity, he began thinking more and more about the fact that

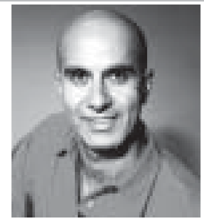


many physical accidents, such as nuclear power plant malfunctions and airplane crashes, are caused by a whole chain of mistakes that go unchecked for reasons usually related to an institution's culture or the lack of processes in place to deal with failure. "Over time, I realized that the same sequences of mistakes also occur in the business world," says Mittelstaedt, "and yet companies rarely acknowledge these mistakes, investigate them or learn from them." In the book published this month, Mittelstaedt introduces his approach to "managing multiple mistakes."





How to become a star at work



By Robin Sharma

The only way you will ever truly succeed in this new knowledge-based economy is to become a star at work, that is, an individual who stands far above the crowd and one who is totally unique in a world where most people are trying to be more alike. The moment you make a deep commitment to becoming a star at work and burning all your bridges to the person that you once were, your life will change in an unmistakable way.

The day you decide to start acting like the person you were destined to become is the day that you begin to tap into the wellspring of human talents that will lead you to your own form of personal greatness. These are not the simple musings of yet another professional thinker spouting hackneyed euphemisms in the hope that one day someone will take note.

These are the hard, cold facts of life - and they have been so for hundreds of years. And to deny them and continue living a life of complacency is to abandon your duty to do something special with your life. As Ashley Montagu observed: "The deepest personal defeat suffered by human beings is constituted by the difference between what one was capable of becoming and what one has in fact become."

To become a star at work and to start seizing some of the matchless opportunities that are out there in what I believe to be the most exciting time in the history of humanity, you first need to make the decision to raise the standards that you will work and live by. Commit to living by a benchmark far higher than anyone would have the right to expect from you.

Take a good hard look at the way you spend your days and ask yourself whether your agenda reflects your priorities. If there is an incongruity between the activities you invest your energies in and the values you hope to live by, you have a problem and need to make some immediate course corrections.

For example, if your goal is to have a meaningful and rewarding work experience but you devote your days spinning your wheels on mundane tasks that never advance your professional goals, you need to do refocus yourself on the things that truly count.

If a rich and happy family experience is high on your list of life priorities but you have not been to your son's soccer game in a year and you cannot remember the last time you sat down to do homework with your daughter, you need to sharpen your pencil and rework your schedule. The facts never lie and the activities of your schedule will ultimately reflect the quality of your life.

The next step in becoming a star at work is to dedicate yourself to becoming "a person of action". In life there are three types of people. First are those that make things happen. Second are those that watch things happen. And third are those people who wake up one day, at then end of their lives, and ask "What Happened?" Today, make a firm decision to join the first group - the group of human beings who have decided that life is a gift and every day is a new opportunity to learn, grow and contribute.

"There's nothing really difficult if only you begin. Some people contemplate a task until it looms so big it seems impossible but I just begin and it gets done somehow. There would be no coral islands if the first bug sat down and began to wonder how the job was to be done," noted John Shaw Billings.

Here are 7 more things you can do over the next 10 days to become a star at work:

1. Take your hero to lunch. Find someone who has created the kind of professional and personal life that you want and have the courage to take them out to lunch.
2. Set "learning goals." Most wise performers on the playing field of business set career, financial and personal goals but few set specific learning goals.
3. Become indispensable.
4. Make time to think. It is a strange paradox of the frenzied age that we live in that we have become so busy that we do not even have time to think about the things that we are so busy about.
5. Start a reading group at work. If you want to be a leader, you must first become a reader.
6. Look like a star. Get serious about physical mastery. Commit to being in peak shape so you increase your energy levels and enhance your stamina.
7. Think contribution. We all have a deep human hunger to be a part of something larger than ourselves. As the 13th Century philosopher Rumi said: "When you are dead, seek for your resting place not in the earth but in the hearts of men."

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Time to change the Indian family formula

It's time marketers stopped stereotyping the Indian family. Brand managers should get real and even daring

-by Harish Bijoor

The future is on a morph phase. The future is therefore unpredictable. Brands swim in the current. Brands must learn to prepare themselves for the future as well. A future that is different.

In this scenario of flux, I take you back to the one big arena of flux that we will see in the future. A future, you, I and the bratty young brand manager of the future need to be aware of.

While one can look at many a facet in this game of preparing for the future which no one can see, I peek at one nitty-gritty item in this piece. The family. The family as we marketers know it to be….and the family we marketers find difficult to fathom in the future.

The ideal family in the Indian context is the archetypal family depicted in the advertising of the day. Let's remember, advertising is part of culture. Part of popular culture that tells what society is all about. Look at a nation's advertising and you know what the people are all about!

Let's look at the Indian family then, the way we see it to be in the advertising culture that we traverse through. The ideal Indian family from the days of early advertising in the seventies upwards, ever since the advent of television advertising, has been all about this one man, one wife and two kids – *Hum do, Hamare Do*

The ideal family in advertising lore has been for the last four decades and more a simple one. One husband. One wife. Two kids. The first kid is a boy. The second one is a girl. The ideal age gap: 3 years! Then there's the senior-citizen friendly and the pet-friendly families.

How long does this visual definition of family hold in a culture on the morph? 50 years? More?

One is not too sure, but be prepared to make the first few changes on this formula of family that brand-people take for granted! Look around at society and paint the trends of what you see around into your advertising as well!

The family is getting smaller and smaller. The husband-wife and one kid norm is well nigh a reality. Bring in this aspirational set for sure. And how about that one kid that is a girl child? And what about the ideal family itself? Why not a family with two girl children? And why not one with two little boys?

As families get smaller, there is certainly the 'double-income-no-kids'(DINKS) couple around as well! DINKS will therefore form part of society for sure! And why the 'Mangalsutra' and 'sindoor' even here? What about the couple that is just living together?

And what of same-sex couples? Not necessarily single, but with adopted kids who live together as one big gay and happy family? The future is about change and aspiration. Anything is a possibility!

Look keenly at the fact that the US boasts of as many as 80,000 plus three-adult families. Ideal combinations of these at play as of now are the one man and two-women living together syndrome! And better still, the one man and two women living all together as a happy family! Ménage et trios families at large!

These Ménage et trios families actually fight against the actual definition of a family as laid down in our early texts that touted the family as a concept in flux. Sure, the family is a concept in flux! But a different kind of flux altogether! Prepare for it! These new ménage et trios' families play the game differently.

Typical families start at stage one which is dull and exciting bachelorhood! As time passes by, in comes the stage of the "Honeymooners"! And then comes the single child family. The two-child family! And then the stage of "empty nesters' when the two children have moved on to study far away from home, and possibly set up their own lives, joining the great big rat race for family-making! And then comes dissolution, when one of the partners dies!

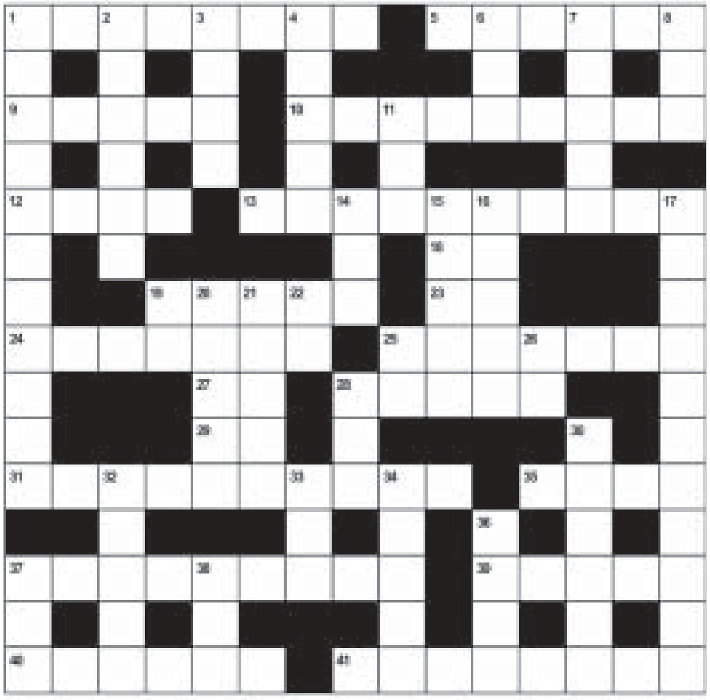
These new wave ménage et trios' families cheat the system. Take the case of the one woman-two men families. Here is a family that is a great big and happy family that passes through the stage of bachelorhood on their own. And then they move into happy "honeymooners"! There are three of them here though! And then one couple actually makes a baby. And another couple makes another baby! This is a stage of collective "parenthood"! Once through the "Empty nesters" stage, when dissolution does happen, and one partner dies, the family, in many ways is still intact!

Indian advertising will soon start showing families of different kinds. It will start with the one-child family. And then the no-child family. And then just a nuclear family. Just a couple. No kids! And then will come the same-sex couples!

And then will come the protest from the Shiv Sainiks in Mumbai!

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. harishbijoor@hotmail.com

CROSSWORD - 2



Across

1 The term for a number of persons/households exposed to a particular type of advertising media (8)
5 A tag line in an ad (6)
9 In India, this is jokingly referred to as a measure of one's "prosperity"! (5)
10 A person who gets something (9)
12 To _____ his own (4)
13 A sequential series of illustrations used as a shooting plan in
an ad film production (10)
18 Assistant Engineer (acronym) (2)
19 Very skilled (5)
23 Word denoting laughter (2)
24 Circus act (7)
25 Brand name of best-selling Toyota vehicle (7)
27 Six in Roman numerals (2)
28 Upmarket brand of pen for Christians?! (5)
29 Opposite of out (2)
31 A brief digest of noteworthy information (10)
35 An elaborate party, festival (4)
37 Old tyres are often this (9)
39 Popular cola brand (5)
40 The set of actual potential users or customers (6)
41 ________ against the tide (8)

Down

1 A concept in market segmentation that assumes most customers are alike (11)
2 _______ marketing: technique in which the promotional materials are delivered individually to potential customers (6)
3 Reflection of sound (4)
4 Gold measure (5)
6 Ideal place to keep your notebook?! (3)
7 ______ Garbo (5)
8 The thing for fishermen and surfers?! (3)
11 The type of vehicle 25 Across is (3)
14 Frequently (3)
15 Popular web-based mail/search engine provider (5)
16 Bulls and ____ (5)
17 The process of reducing the demand for a product (11)
19 In India, Hyderabad is found in _ _ (2)
20 Don't play his advocate! (5)
21 Electronic version of 31 Across (5)
22 In Indian schools, PT; in American lingo, _ _ (2)
25 Opposite of debit (abbvn.) (2)
26 What Win XP is an example of (acronym) (2)
28 Household pet required for IIM entrance?!!! (3)
30 A futures research technique used to gain consensus opinion
among experts through a series of questionnaires (6)
32 Precious natural resource (5)
33 One short form of Edward (3)
34 Give qualities or abilities to (5)
36 Unsolicited email (4)
37 The Hindu God of computer memory?!! (3)
38 The organ that Lasik surgery is used on (3)

The first three correct answers

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Crossword by Ravi Narayan Raghupathi

The publisher apologises for the inadvertent error that rendered October 2004 Crossword unsolvable.

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Richard Branson vs. Jack Trout

Jack Trout doesn't like Sir Richard Branson. "People throw Branson at me and want me to tell them whether he has turned everything I've been saying on its head."

While it appears that way, the truth, Trout says, is that Branson's companies are all privately held and no one knows the true picture. To Trout: "Virgin Air may be still flying, Virgin records may be doing well, Virgin Cola was a disaster."

Branson no doubt feeds on flamboyance and runs his business in a daringly unorthodox fashion. Remember, he barged into the Indian Parliament on an elephant to gain publicity for Virgin's maiden flight from Delhi? His recent Virgin Galactic – venture into space tourism – is Branson's latest brain wave. Whether this hugely capital gobbling business further proves Branson right remains to be seen. At this point it's tough to say who'll have the last laugh.

Failure is the mother of invention

In the 1950s the Jacuzzi brothers invented a whirlpool bath to treat people with arthritis. Although the product worked, it was a sales flop. Very few people in the target market, that sufferers from arthritis, could afford the expensive bath. So the idea languished until the brothers tried relaunching the same product for a different market - as a luxury item for the wealthy. It became a big success. Didn't many great successes start out as failures?

Sleepy Indian HR?

Dr. T V Rao, professor for two decades at IIM Ahmedabad and now a consultant, is an evangelist of the Indian HR brotherhood. Yet, he doesn't hold them in high esteem. The reason is their callous response to the country's first ever survey on HR practices in India he held recently. Of the over 5,000 questionnaires sent, he received only 59 responses in two months. Compare this with 53 responses he got within two hours from a few hundred questionnaires from Sri Lanka.

No wonder some companies are experimenting with offering HR jobs to non-HR professionals. To Dr. Rao, the bad news is that they are turning out to be damn good. Wake up guys!

SriLankan

Sri Lanka's national airline, SriLankan, practices some unique HR practices. It has an innovative recruitment policy – it inducts prospective candidates first, trains them, then after a test, recruits them. This has resulted in very high productivity and enviable customer service.

Not just that, its staff has access to personal files online and the pay is linked to performance. Such policies are known to have created an open and vibrant work culture. With Emirates managing its business strategy, SriLankan is already going places. Can India's Maharaja and his cousin Indian Airlines take a cue? Looking at their pathetic state, it may not happen in this generation!

Even winners hate rating agencies

Ever heard of winners of customer satisfaction or any survey complaining about the agencies that conduct them? BVR Subbu, president of Hyundai Motors India, was heard lashing out on the integrity of Indian rating agencies at a recent seminar in Bangalore. "Consumer satisfaction surveys are a hogwash. Rating agencies are more interested in retaining their plum consultancy contracts. If you want to buy a car, speak to a few who have bought them." Back to basics eh!

Kotler flummoxes a CEO

A CEO approached Philip Kotler recently and asked him to sign the first edition of Marketing Management which he wrote in 1967. Kotler refused.

The CEO asked why. Kotler said that 1967 marketing isn't effective in 2004. The old edition didn't say anything about positioning, customer value analysis and many other current topics. Purturbed, the CEO asked why he was trying to sell him a new edition of his old book? Kotler said: "because I want you to be more successful".

India software superpower?

Indians are known to have an overblown or highly glorified image of themselves in all spheres, both past and present. There are exceptions though. Mr. Narayana Murthy, Infosys Technologies' mentor, rubbishes the 'software superpower status' that Indians are giving themselves. "We export just three to four percent of the total global software business. How can we call ourselves a software powerhouse or a superpower," he asks with a bit of sarcasm.

To add insult to Indians' bloated ego is this year's Google Code Jam, a method in which Google gets world's best brains together to solve some intractable coding problems. After the initial rounds, Google short-listed 50 finalists who are being flown to its locations in the US. And you know what? Not even one Indian has made it to the top 50.