

Touching 40? Do you know where you are headed?

At 40, executives go through both professional and mid-life transition. Unless the transition is made consciously and with a well-thought out process, executives face the danger of losing their way, says Subroto Bagchi



If we consider a 30-year peak career span for IT professionals, the years between 20 and 30 can be considered as years of self-discovery. The succeeding ten years are years of self-confidence and the years between 40 and 50 are usually, years of self-doubt.



Between the years of 30 and 40, with a strong foundation behind you, anything that you touched, turned to gold. You were confident that any assignment you were given would see the light of the day. You never questioned your ability to add value to the project on hand, the team and the organization. Then suddenly one day, you turned 40 and several points of self-doubt began to emerge. What is my value add? What am I really doing? Was it all worth the effort? Where am I going? What next for me? How well did I really do professionally, monetarily and in terms of organizational recognition vis-à-vis my "batchmates"? How about my own work-life balance and my family?

These are but a few of many dozens of not-so-unique questions – some real, some imagined that started haunting you. Some, who are lucky, work their way out of these, some get mired and pulled down.

One common thread is the lack of sounding boards and support system to facilitate asking questions. Most suffer in silence. Many do not realize that they are making not just a professional transition but in reality, a mid-life transition. In an acute form, it is called the mid-life crisis. What are possible signs that you are in a state of such transition yourself?

One of the most common signs is discontent with life or the very same life-style that gave you happiness for many years. Some people will feel a sense of boredom with things or people who hitherto held interest or dominated their life. These could

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be close friends, professional associates, a role model or relatives at home. Some people will feel highly adventurous and want to do something completely different. I heard from a cardiac surgeon from a leading hospital that he wanted to get into the IT industry. I know people who never found time to play a sport, wanting to do bungee jumping or Para-sailing.

In some people, there is a pronounced manifestation in terms of questioning the very meaning of life and validity of past decisions. Some see younger people, once trained by them, do the same work they are doing more efficiently. In all this, there is confusion on who they are and where they are going.

In a personal sense, this is also a period marked for some with a high traction towards an extra-marital affair or a divorce. While the period of mid-life transition is as inevitable as adolescence, there are things one can do to make it better managed and less fraught with reactive decisions that can have very difficult consequences. The best way is to prepare before it hits you. In most cases, that process must begin as soon as you turn 35. Where should one start?

The starting point is to do a structured analysis of your own strengths, weaknesses, opportunities and threats. Note the use of the word, 'structured'. In most cases, what were your strengths, weaknesses, opportunities and threats at 20 or 30 – no longer remain valid, as you turn 40. Things you considered to be your unquestioned strengths and even differentiators become commonplace. By the same token, many people shed certain weaknesses but never become aware that they have done so and remain in a self-created stereotype that they are not good at so-and-so thing.

The next step is to take serious, structured feedback from peers. Many organizations today practice some form of 360-degree feedback. Few explain how to make sense out of it and create a personal game plan for the employee. Most 360-degree feedback show a common theme when you analyze them over a period of time.

In enacting the proactive, positive change, often one has to move out of one's personal comfort zone. When we contemplate the issue of what constitutes a comfort zone, we should not overlook seemingly ordinary ones that seem more personal, than professional.

The two other critical aspects of preparing for transition are, creation of a serious passion outside of work and seeking a mentor. Most IT professionals lead a 'one-dimensional' life and lack a serious passion outside of work. This warps personal development and sense of satisfaction. While everyone has an endless possibility of options to choose from, many just procrastinate or do it on a "now on, now off basis".

It is here that the role of a good mentor comes in. But, you cannot simply choose a mentor on a just-in-time basis. You need to choose a mentor well before time. A mentor is a person you respect and trust. He or she need not be in your organization. Learn also to listen to the mentor. The principle of mentorship often fails because we indulge in selective listening. That by itself can make it a self-defeating exercise.

Subroto Bagchi is Co-founder and Chief Operating Officer, MindTree Consulting. This article is an extract of the speech made as part of MindTree Lecture series, 2004. To read the full article please log on to www.mindtree.com.

How you can beat the 40's blues – Please turn to page 12

Don't leave leadership to chance: Deepak Chopra

Dr. Deepak Chopra has without doubt mesmerized the West with his mind-body-connect philosophy. What does he have to offer the Indians? Indian managers may not find his *gyan* earth shattering, but spoken in the Western lingo they would lap it up as was evident at the India Strategy summit organized by Indiatimes recently.

Though it's not fully understood in the West, Chopra believes that leadership should strive to encompass a "differentiated consciousness. To him, thoughts, feelings, emotions, dreams, fantasies, electromagnetic storms — are all transmitted through our synapses via what he terms "messenger molecules." When people become aware of the connection between mind and body, inside and outside, self and others, spirituality can find room to manifest itself in all practices, be they business, interpersonal, or political.

Why do leaders turn bad? Chopra believes it's probably the result of what he calls "shadow energies" at play. Shadow energies are "the dark side of the soul," and emerge when needs are not met or are thwarted. How can we stop this from happening? Chopra recommends creating a model to train leaders.

Chopra does not like people leaving leadership to whims. "If I wanted to learn physics, I'd go to MIT. If I wanted to learn math, I'd find the best mathematician to teach me. If I wanted to improve my golf game, I'd seek out a golf pro. But we leave leadership to chance!" Chopra believes that implementing a systematic training and selection process is the answer to the dearth of excellent leadership today.

How can leaders be effective? Chopra asks leaders to gain an increased awareness of their own and others' needs and a deeper understanding of their leadership potential to make a profound change in the way they lead.

Deepak Chopra offers an entirely new approach to the exciting possibilities of leadership, extending his ground-breaking books on success that combine spiritual wisdom with modern dynamic psychology. Chopra defines the leader as the heart and soul of any group and explains how leaders and followers experience predictable responses to competitive situations, which drive every decision we make. Great leaders, therefore, must have a conscious understanding of how these responses affect their decisions.

Acknowledged as one of the world's greatest leaders in the field of mind-body medicine, Deepak Chopra continues to transform our understanding of the meaning of health. His recent book is *Grow Younger, Live Longer: 10 Steps to Reverse Aging*. Ten million copies of Chopra's books have been sold in English alone, and his best-sellers include *How to Know God: The Soul's Journey into the Mystery of Mysteries*; *Perfect Health*; *Ageless Body, Timeless Mind*; and *The Seven Spiritual Laws of Success*.

Chopra is revolutionizing common wisdom about the crucial connection between body, mind, spirit and healing. His mission is to bridge the technological miracles of the West with the wisdom of the East.

Chopra believes that people in the US, where he's made his career, are narrow, nationalistic and tribal. Their world view is limited. Indians, he's convinced, are dynamic and unstoppable. Indians have created a soul superpower and an economic superpower. Its biggest strength is population. For Indians, religious myths are like narcotics, we're addicted to them. Yet, there's a primordial urge to conserve our myths and our religion. That's not enough, soul empowerment feeds on confluence of relationships, it shapes our imagination and has a base in creativity. That's what makes India a soul superpower.



How to retain wisdom even when talent leaves

It takes years for company's top talent to acquire expertise but only seconds for those same people to walk out the door when opportunity beckons. How can companies capture experts' hard-earned wisdom so this precious asset stays within the organization even when the talent leaves?

Morten T. Hansen, Nitin Nohria, Thomas Tierney, Dorothy Leonard, Walter Swap, Bolko Von Oetinger discuss this tricky issue in the September issue of *Harvard Business Review*.

They ask organizations to select a knowledge management strategy that supports business strategy. They ask: "Do you offer highly customized services or products? If so, have experts personally transfer their knowledge to others through face-to-face coaching techniques, such as job shadowing and guided practice. Do you instead provide standardized solutions to common problems? If so, store experts' knowledge in computer databases where others can access and reuse it. Reinforce your knowledge management strategy by cultivating networks of experts and rewarding people who share knowledge with others."

Good management practices, not higher spending, key to productivity gains

A new study of 100 manufacturing companies in France, Germany, the United Kingdom and the United States is supporting the view that IT expenditures have little impact on productivity unless they are accompanied by first-rate management practices.

Companies should beef up their management practices before focusing on technology, write Stephen J. Dorgan and John J. Dowdy in the *The McKinsey Quarterly*, September 2004 issue.

When European policy makers agonize over how to close the growing productivity gap with North America, they often propose to boost IT spending. Just adding more computing power, the reasoning goes, will surely help.

Yet in all likelihood, this approach won't have a substantial impact. Some economists have argued that good management—rather than more computing power—is the key to higher productivity, but they have lacked convincing proof. Indeed, companies can significantly raise their productivity solely by improving the way they operate.

McKinsey's research, undertaken in partnership with the London School of Economics, focused on the period from 1994 to 2002. It offers evidence that specific management practices foster higher productivity regardless of a company's location, size, sector, or historical performance. In essence, the connection between better management practices and improved corporate productivity accounts for the gaps among the four countries in the study and holds true for all of the manufacturers they examined.

The payoff from improved management is impressive. Their analysis rated 100 randomly selected companies on a scale of 0 to 5 to measure how well they used three important tools: lean manufacturing, which cuts waste in the production process; performance management, which sets clear goals and rewards employees who reach them; and talent management, which attracts and develops high-caliber people.

The results indicate that a one-point improvement on the scale was correlated with a 25 percent increase in a company's total factor productivity (a measure that includes both labor and capital productivity). To put this into perspective, such an improvement has an effect comparable to that of raising capital investment by 70 percent, going from 10 manufacturing plants to 17, or increasing the workforce by 25 percent. What's more, companies got the same benefit from improved management regardless of where they ranked on their scale. In other words, even well-managed companies get a big bang from these efforts.

As one would expect from such a large jump in productivity,

the impact of better management on the financial performance of individual companies was also impressive. The same one-point improvement on the scale was correlated with a five-percentage-point increase in a company's return on capital employed.

Since the average ROCE across all companies was 12 percent during the nine-year period, companies that raised their management-practices score by one point increased their financial returns by 42 percent.

Compared with those results, how do IT investments stack up? We found that additional computing power also



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translated into higher productivity—but the impact was modest. The top quartile of companies, as reckoned by the level of their IT deployment, had a total factor productivity just 4 percent higher, on average, than those in the bottom quartile—just one-sixth of the impact of a one-point improvement in management practices. Moreover, companies with more powerful IT didn't do better financially. That may seem odd, given the rise in productivity, but one likely explanation is that the cost of new IT investments balanced out the financial gain they generated. Again, these results held good regardless of a manufacturer's location, size, or industry.

"Of course, managers shouldn't stop buying computers," they write. Rather, the results show that companies can get the biggest benefit by combining IT investments with good management. For corporations scoring in the bottom quartile of management practices, the deployment of more powerful IT is associated with productivity improvements of just 2 percent. However, companies with increased computing power *and* improved management practices achieve 20 percent higher productivity. This result shows that better management practices can raise productivity a good deal by themselves and increase the impact of IT investments on productivity as well. "Companies should first improve their management practices and *then* invest in IT."

Move over ROI, enter ROE

Most current advertising still relies on obsessive proliferation of the brand through mass media that seek economies of scale – the more eyeballs, the better. But consumers are asking for more than mass messages sent to eyeballs. They want respect, recognition and relevant communication, and they've indicated that the best way to give it to them is through experiences that are personally relevant, memorable, sensory, emotional and meaningful.

"Today, customers take product quality and a positive brand image as a given," writes Columbia Business School guru Bernd H. Schmitt in the seminal book *Experiential Marketing*. "What they want is products, communications, and marketing campaigns that dazzle their senses, touch their hearts, and stimulate their minds – that deliver an experience." "Experiential marketing is leading the way into the new marketing paradigm."

To take the 'revolution' forward an International Experience Marketing Association has come up in the US. The IXMA shares insights daily with freethinking business leaders in preparing for profound changes about to challenge traditional advertising and marketing. The IXMA is a forum for radically new thinking about how brands are introduced and sustained.

The IXMA shows how experiential marketing (XM) uses credible voices, sensory experiences and respect for the consumer to bring brands – and their essence and benefits – to life, and to create direct and meaningful connections between companies and their customer. Importantly, it says it will strive to find new ways to measure and quantify the brand impact and purchase intent stemming from XM that go beyond traditional ROI metrics, to focus on the equity-building ideas of ROE – the Return on Experience.

What companies want from an MBA

Over the last year, as part of an exercise to determine its role in the education and training of the next generation business leaders, London Business School conducted more than 100 face-to-face interviews with executives from global companies across a variety of industries and 20 countries.

The research was in response to a suspicion that its customers "had issues" with its product. Despite London Business School's ranking as one of the world's leading business schools, only about a third of the U.K.'s top 100 employers "bought" its MBAs, and roughly the same proportion used its executive education. The LBS needed to understand why, and whether it was offering what they, and other employers throughout the world, needed.

The survey questions were basic, the sort any business executive would ask his or her customers. What are the skills executives require? How might they change in the future? What

must your people be able to do for your company to remain successful? And how can we help you meet these needs?

Interviewees included, in North America, Jeffrey Immelt, chairman and CEO of General Electric; in Europe, Nicolas Hayek, chairman and CEO of the Swatch Group; in Asia, Ho Kwon Ping, chairman of Banyan Tree Hotels and Resorts; in South America, Carla Cico, CEO of Brasil Telecom; and, in the Middle East, Prince Feisal bin Al-Hussein, commander-in-chief of the Royal Jordanian Air Force.

LBS wants to treat top executives around the globe as its ultimate customers because they recruit from the 100,000 or so students who earn master of business administration (MBA) or equivalent degrees every year from more than 750 institutions around the world, and who pay for executive education to improve their managers' skills and value.

LBS expected the answers to be as straightforward as the questions. However, the interviewees were surprised by the breadth of the responses. The corporate leaders indeed produced an extensive list of qualities they desired in future recruits, but almost none involved functional or technical knowledge. Rather, virtually all their requirements could be summed up as follows: the need for more thoughtful, more aware, more sensitive, more flexible, more adaptive managers, capable of being molded and developed into global executives.

Herein lies a stark challenge for business schools. What they have been providing so far was not wrong but what the customers are now telling them is that it wasn't enough.

The conclusion: business schools must move beyond their current focus, equipping people with knowledge, and furnish them with skills and attributes, the means by which knowledge is acted upon. MBA education must become more action oriented, but also must find ways to nurture integrity, judgment and intuition — a seemingly contradictory mandate that schools nevertheless must learn to pursue. MBAs must be trained to think, decide and act efficiently and innovatively in an unpredictable global business environment.

Spend management

Don't be fooled by the name. Spend management is not about cost cutting or stopping spending. It is about plugging the holes that leak out money from your company.

When recession is in sight, most companies rush to their CFOs and force them to streamline processes and enhance productivity to cut costs. But a better and simpler way is to manage the way companies spend their money – on everything from acquiring materials to transportation.

David McCormick, President, Ariba, a company that offers spend management solutions, told *business today* that American Express was able to save about \$500 million, one tenth of its total spending of \$5 billion by using Ariba solutions. Ariba has a software development outfit in Bangalore.

Seven innovation myths

Large, global corporations should be the innovation leaders. Generally, however, they are not. They have the resources to lead change, so why don't they? Part of the answer lies in how managers think about innovation. At the Kellogg School of Management, Mohanbir Sawhney & Robert C. Wolcott have been working with over 20 global companies to understand innovation management in large businesses in a report published in August 2004.

Myth: You need more new ideas

Reality: You need more homes for ideas

Managers often lament the paucity of innovative ideas in their business. Their logic: ideas are like frog eggs – thousands are laid, but only a few hatch. This logic suggests that businesses need lots of new ideas if a few are to evolve into profitable innovations. However, this logic is seriously flawed: to get more tadpoles, you don't need more eggs – you need better incubators.

Most companies have enough ideas germinating in the minds of their employees but lack the mechanisms to act on them. If your employees often don't know where to turn for resources and funding to develop their ideas, eventually their creativity will dry up.

Myth: Innovation is a department

Reality: Innovation is a company-wide competency

Dedicated innovation organizations are important to encouraging innovation, and can even be critical to success. However, innovation is too important to be left to one department.

Innovation is a mindset that must permeate every branch of the company, and innovation competencies must become an integral part of every department's activities.

Myth: Let people loose to innovate

Reality: Enable people through structure and process

Ideas are often serendipitous. Innovation is not. You should give employees the freedom to imagine, but then provide them structure to act. Structure and process do not have to be the enemies of innovation. Just enough structure and process can actually facilitate innovation, particularly if your firm is not genetically predisposed towards innovation.

Myth: Innovation is a radical departure from the past

Reality: Innovation often creatively combines pieces of the past

When we think about breakthrough innovations, we imagine lone inventors such as Thomas Edison devising radical innovations like the light bulb. In practice, innovation rarely happens in a vacuum. Often, successful innovations creatively

combine elements of the past – a concept that Andrew Hargadon terms “recombinant innovation” in his book *How Breakthroughs Happen*. Edison's lighting system combined elements of the telegraph, the arc light and even the existing gas light industry. The telephone network piggybacked upon the railroads to build telephone lines, and the internet in turn used the telephone network to transmit data. And now, electric utility wires are being used to transmit high-speed data.

Myth: Mistakes are costly

Reality: Early mistakes are profitable

Equating project cancellation with failure represents one of the most dysfunctional characteristics of many corporate cultures. Where cancellation equals failure, managers will often do whatever necessary to avoid their own projects being killed, even if the facts recommend otherwise.

And they will be reluctant to embark on projects deemed to be risky because mistakes are frowned upon. But innovation and risk go hand in hand. Mistakes are the handmaidens of success. As Wayne Gretzky, the legendary ice hockey player, once declared: “You will miss 100 per cent of the shots that you don't attempt.”

Myth: Avoid the detours

Reality: Detours may be the destination

All the management consulting talk about core competencies fuels another innovation myth – stay focused on the road ahead, and don't get distracted by detours. However, too much focus on the road ahead can be dangerous, because it impairs your company's peripheral vision. Sometimes, what seems like a detour actually may become the main road.

For example, despite the incessant search for the “killer application”, nobody really knows where an innovative technology will eventually find its niche. Lasers were initially created as accurate measurement tools, but they have ended up revolutionizing eye surgery and consumer electronics. Microwaves were created for military communications, but they ended up warming our food in microwave ovens.

Myth: Innovation is about creating new things

Reality: There are many paths to innovation

“Innovation” invariably elicits thoughts of new technologies incubating in R&D labs or new products winding their way through new product development. In reality, innovation can take many forms. Starbucks did not invent coffee. But it did create an innovative customer experience, featuring an inviting store environment modeled after a European espresso bar that is becoming the “third place” in consumers' lives – home, work and Starbucks. Dell's computers aren't very different from its competitors.

How a couple built a SMART enterprise

David Martin and Nancy Knowlton are a rare couple. They share equal responsibilities both at home and at work. Together, they are headed to building a one billion dollar company

By Benedict Paramanand



Seventeen years ago David Martin threw his well-paying job in a mining company. Nancy Knowlton, his wife, chucked her consultancy job with one of the top five accounting firms. The two turned entrepreneurs to start a technology company.

SMART Technologies Inc. is today the industry pioneer and market leader in collaborative products for classrooms and meeting rooms. The Calgary, Canada based company's products include interactive whiteboards, multimedia furniture and software. The company is now a global market leader in its product categories and is heading towards becoming a billion dollar enterprise.

Why is it an unfamiliar story while there are thousands of entrepreneurial successes all around? Names we revere, such as Bill Gates, Sam Walton, Henry Ford, Narayana Murthy, Dhirubhai Ambani, Kiran Majumdar, are examples of garage-to-mansion stories surrounding an individual's enterprise and endeavor. David and Nancy are perhaps one of the very few to have made it big as a couple, through thick and thin, as co-promoters, co-founders, co-innovators and co-CEOs.

Right from the day the company started, both have been hands on and have been complementing each other much like the hands and legs do to a body. It has taken a lot of sacrifice, grit, unwavering trust and marital adjustments to accomplish this feat. The couple didn't pay themselves for four years and had to dig into their retirement savings to pay salaries.

David spots technology trends and owns a few patents, while Nancy runs the operations. "Nancy is responsible for today and the I'm responsible for tomorrow," says David. Their clarity of roles extends to their ownership status as well. They are co-owners of the company each owning 35 percent. Intel Corp is a strategic investor with 26 percent.

Yet, David is uncomfortable to call his company a family-run business. "We have an external board of directors. We are transparent and a professionally managed company. It's not the typical family-managed company."

But much like the way a family functions decision-making is by consent. "When we look at the decision-making process we have to have the other person agreeing with the general direction. And because we have similar outlook we generally agree."

David says: "Nancy is the conscious of the company. She is very focused on doing the right thing and doing it the right

way. Nancy is the kind of a person who will sit on your shoulder and ask – are you doing the right thing."

Time Out

The success of the venture has come at a price. David and Nancy each put in 70 to 80 hours a week in running the company. Do they have life outside work? "People ask me whether we have a home life and a business life. For us it tends to blend somewhat together. We have to work harder at having home life that doesn't talk about business. Because we are entrepreneurs, business is 24 hours a day, seven days a week. It's very consuming. But we do have a sort of a signal – a basketball signal for time-out – I don't want to talk about business now and that is permitted."

Basketball is one of the few out-of-work interests David and Nancy share. Nancy had played for Canada's national team and has several league-level players working with her.

"We realize that the two of us have to be truly committed but at the same time you should be able to laugh easily – because it can't be life and death to that extent. My wife and I started as good friends and today we are still good friends."

David and Nancy have not planned to have children, which leaves them enough time and energy to focus on business. Both work so hard that they don't find time for holidays. "It's very difficult for us to find time for vacation because we are growing at almost 50 percent a year even taking two days off is like taking a mini vacation. We pretty well work 70 to 80 hours a week. So weekends are also rare."

"I'm not justifying what we do. I would describe it as an obsessive-compulsive behavior – you don't want to fail and you want to win – that becomes your personality. We are not just good entrepreneurs but also have good appetite for work."

But it's changing gradually now. They have appointed an executive vice president to manage day-to-day operations. David and Nancy took a week off in Mexico recently to chill out on margaritas. They came to India for a week, although each of them worked separately in Mumbai and Bangalore for five days before spending a day together.

What next? Seventeen years in business and a successful one at that, is it time to do something different? Not really. "We are having so much fun and we think it will be a billion dollar company soon. When you are in sports you have to retire sometime because your body will not allow you to. But business is a game and if you have built it over a long period of time you can try different things. When you are naturally curious why would you retire? I'm 55 and it's amazing when people ask when you're going to retire. Entrepreneurs don't retire."

Is the Traditional Theory of the Firm Obsolete?

Now that so many companies work across continents in vast webs of partnership, some Wharton scholars are wondering whether the traditional idea of the firm is obsolete.



In the same way physicists have had to struggle with how to fit all those quarks and leptons they have discovered into the traditional idea of the atom, business thinkers are faced today with a need to reconcile the ways in which companies are actually doing business in the 21st century with the classic idea of the firm.

That might sound like a fairly recondite problem, but professors at Wharton's SEI Center for Advanced Studies in Management insist that it matters. In economics, finance, marketing, operations, and accounting, the theory of the firm plays a central role, and Wharton faculty members are now questioning whether an idea of the firm that traces its lineage all the way back to Adam Smith is still a relevant model today.

Their answer is a resounding no. Like John Maynard Keynes, who once wrote that "Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist,"

The original theory has had a good run. Its ideas about the firm were mulled first by Adam Smith in the 18th century, and then more fully spelled out by Alfred Lord Marshall in the late 19th century and Paul Samuelson of MIT in the 1930s and 1940s. This traditional framework was further elaborated in the 1960s and 1970s by the Carnegie School, and exemplified in the works of Herbert Simon and Oliver Williamson, who brought important behavioral dimensions to the study of the firm.

A Whole New World

But those were ideas designed for a different world, says Paul Kleindorfer, a professor of operations at Wharton and co-director of the school's Risk Management and Decision Processes Center. "It's not surprising that with the changes that we've seen in the past decade or so, driven by communications technology and information technology more generally, and the huge changes that China and India have brought about...that there would be in some sense a need to revisit this fundamental building block, the theory of the firm, and to ask whether the old tried-and-true theory had all the necessary bells and whistles in it to deal with the new realities," he says.

In the old days, most companies made products out of raw materials and then sent those goods on to their customers. "The traditional theory of the firm is about the unitary, rational actor that more or less controls all the pieces of the puzzle that it needs in order to produce its outputs," says Kleindorfer. But today, he says, global companies like GM or Toyota don't directly control most of their inputs. "Rather, these organizations are a part of a huge set of interlinked networks across the planet.

Another participant at the SEI meeting, business theorist Kenichi Ohmae, argues in his forthcoming book, *The Global Stage*, that the root of the problem is ultimately that today's most popular

economic ideas were formed at a time when most countries' economies weren't intimately linked with the outside world.

"Economists specializing in macroeconomics, whether the high priests of economic theory like John Maynard Keynes or Milton Friedman, or their numerous disciples, are marooned in the old world of economics and business behavior," Ohmae writes. "It is against the background of national economies that their theories have been developed and it is in this arena that they continue to work."

Wharton professors say that the cracks in the theory have led to challenges for various disciplines. In accounting, for instance, a better theory of the firm might help lead to better ways to measure value. Such measures as customer retention, employee turnover, and environmental success aren't included in traditional financial accounting, yet they can be essential aspects of a company's value, and sometimes even serve as leading indicators to firm performance, says David Larcker, a professor of accounting who serves on the SEI Center's advisory board.

"Eventually everything shows up in earnings and cash flow, but it shows up late," he says. In accounting, theorists are now trying to find some measures of value, such as customer retention, that can be monitored earlier than the balance sheet, when an understanding would be more useful, according to Larcker - a kind of dashboard that would monitor the most important factors in creating value.

In operations, Kleindorfer sees a vast distance between the traditional theory and current practice. "If you look at the way in which outsourcing has driven the value chain recently, you would see [that the changes have been huge.] Even along a traditional value chain - from incoming logistics and manufacturing to outgoing, outbound logistics, to marketing, sales and after sales support - firms use contracting and strategic partnering rather than direct ownership to manage the value chain."

In marketing, Wind notes that many of the traditional models and approaches are no longer working very well. Old models of consumer behavior are being increasingly overlooked in boardrooms, he says. Turnover is higher among chief marketing officers. Part of the reason: The mass market is vanishing, in favor of customers who are both less loyal and more demanding. At the same time, he says, preconceptions about markets mean that companies today overlook 86 percent of the world's population, citing the work of C.K. Prahalad in his new book, *The Fortune at the Bottom of the Pyramid*.

Wind quotes Jim Stengel, the global chief marketing officer of P&G, who said earlier this year that "Today's marketing world is broken. I give us a 'D' because our mentalities have not changed. Our work processes have not changed enough. Our measurement has not evolved," he says.

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Eastern courtesy, Western efficiency

India can become an economic power if it enhances its service standards to international standards

-By Suresh Kumar

Mahatma Gandhi is known for his radical views on whatever subject he spoke. Way back in 1890, when most contemporary management gurus were yet to be born, Gandhi knew what it takes to succeed in a competitive service economy. He said: "A customer is the most important visitor. He does not depend on us, we are dependent on him. He does not disturb our work but is the purpose of it. He is not an outsider – he is an integral part of our company. We are not pleasing him in serving him, he pleases us in buying."

It appears Gandhi has had little impact on Indian business philosophy for the last 50 years. Till recently, Indian customers bore the brunt of apathy and indifference of not only service providers owned by the government but also that of the private sector. Even the supposedly service oriented sectors such as hospitality and travel were merely processing their customer needs rather than serving them.

There are exceptions though. The Bombay Tiffinwallahs have exceeded the Six Sigma standards with two defects per million transactions as against 3.4 defects per million allowed. The everyday vegetable vendor has become part of our families.

It's clear that process without passion for service results in bureaucracy. Service is adding people to the product and not vice versa. Service is catering to the needs of customers in the manner a mother cares for her baby – expecting nothing in return in the future.

There are no such things as service industries. There are only industries whose service components are greater or less than those of other industries. In a way, everybody is in service. To succeed today businesses have to be high-touch, not merely hi-tech.

According to me there are three levels of service. The first one is where service involves merely processes which are mechanical and non-emotional. The second one involves the use of mind and efficiency. The third one is where the heart and soul combine to offer customer ecstasy. Today, hospitality is a business of desires, not about needs and wants.

Today's customers are very demanding because they are well traveled, they are well informed, have a global and international taste and are brand conscious.



What is baffling is the finding by Frederick Reichheld that "On an average, companies lose half their customers, every five years. The fact shocks most people, including the business gurus, most of whom have little insight into the causes of customer exodus, let alone cures..."

Why hospitality services are different

Most hotels offer similar products but what differentiates them is their level of service. What's interesting here is that the hospitality industry goes through a simultaneous process of production and consumption. Here, service is intangible, the products have a very high perishability rate.

The service concept in this industry has undergone a major paradigm shift. In the eighties value added service aligned with the customer's needs and the propensity to pay. They were perceived as those who want to check in to check out.

In the nineties, hotel customers were offered services right from touch down to take-off – services such as airport pick up, butler service etc. However,

There are no such things as service industries. There are only industries whose service components are greater or less than those of other industries. In a way, everybody is in service. To succeed today businesses have to be high-touch, not merely hi-tech.

now, hoteliers are striving to offer an experience of a home away from home – residence, not merely a room.

For example, single lady travelers, who are currently over 45 percent of the total travelers, are given personalized and secure environment. The rooms are personalized with special toiletries, mini bar with gin and vodka, adequate lighting in the dressing area, skirt hangers in wardrobe.

For India to become an economic power it has to upgrade its service orientation significantly. The next big dollars are in providing international service standards at Indian costs. To be globally competitive India must use its inherent advantage of an Eastern courtesy and blend it nicely with Western professionalism. The cocktail can be heady.

The author is Vice President, South, ITC Hotels. The above is an extract from his presentation made at a conference 'One Land One Billion Minds' recently

A Grounded Exploration of Sales and Distribution Channel Structures in Thirteen Industries in India

Author : Oburai Prathap ; Baker Michael J, Working Paper No. : 2004-09-05

Innovation is a fundamental virtue of marketing. In this paper, a case is made to promote the use of innovative and novel combinations of research methodologies to derive new insights of business phenomena. This study is an attempt to understand and explain the sales and distribution channel structures in thirteen different industries in India.

The investigation adopted a mix of case research and grounded theoretic research methodologies in exploring the subject under scrutiny. The study offers a classification scheme for grouping marketing channels into homogenous clusters based on similarity/dissimilarity using multivariate multidimensional mapping techniques.

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

China and India: The race to growth

China and India are both developing quickly but with vastly different approaches. China's growth has been driven by manufacturing, and the country's planned economy has tapped into domestic savings and foreign investment to build an impressive infrastructure. India, by contrast, owes much of its

progress to private businesses. Without much assistance from the government, they serve companies in the West's knowledge-based industries, such as software, IT services, and pharmaceuticals. The difference between the two models prompts debate about whether one country has a better approach to economic development than the other.

<http://www.mckinseyquarterly.com/>

The Doing Business in 2005: Removing Obstacles to Growth

Co-sponsored by the World Bank and International Finance Corporation, the private sector lending arm of the World Bank Group, finds that such reforms, while often simple, can help create job opportunities for women and young people, encourage businesses to move into the formal economy, and promote economic growth.

The report, however, which benchmarks regulatory performance and reforms in 145 nations, finds that poor nations, through administrative procedures, still make it two times harder than rich nations for entrepreneurs to start, operate, or close a business, and businesses in poor nations have less than half the property rights protections available to businesses in rich countries.

<http://media.worldbank.org/secure/>

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Natural Capitalism

Natural Capitalism can simply be defined as improving resource productivity at a time when traditional capitalism is throwing up enormous waste that poses the danger of choking the environment.

A recent book by Paul Hawken, Amory Lowins and L. Hunter Lowins titled *Natural Capitalism: Creating the Next Industrial Revolution*, is an eye opener. The authors write about the number of “win-win” solutions that are possible for improving our use of natural resources without compromising our quality of life. One profound idea that resonates is to “close the loops” and to see industrial production as a part of a larger system, with inputs and outputs that can be connected from one process to another, so that “waste” becomes “food” for another process.

What will constrain this effort is the political process that needs to be put into place, and the change in mental models that need to be engendered to make these ideas a reality.

Technological sovereignty

Technological sovereignty is the capability and the freedom to select, to generate or acquire and to apply, build upon and commercially exploit technology needed for industrial innovation. It is to be distinguished from technological self-sufficiency, which is the possession of, or the ability to generate readily all technology required. “For a holistic process, technological sovereignty must precede technological self-sufficiency,” says Dr. Sadeg Mustafa Faris, Chairman and CEO, InventQjaya, Malaysia.



To Dr. Faris, technology sovereignty emphasizes on the imperative need the part of every nation, to cherish and nourish the native R & D to flourish. It encompasses a blend of trail-blazing and benchmarking that smacks of technological emulation than outright imitation in terms of blindly mimicking all the phases of the Technology Life Cycle of Western Nations. Instead, leapfrogging should be attempted, at the earliest, in right earnest. It entails a sanguine approach to efficiency, proficiency and self-sufficiency in indigenous R & D to take roots and gain fruits in the long run. It refers to a radical change in perspective from the so-called esoteric to the exoteric, in all technological matters that are neoteric.

Tap Water Philosophy

On May 5, 1932, Mr. Matsushita called all of the employees to the Osaka Central Electric Club and clearly indicated the

true mission of the Company. Mr. Matsushita, of the National Panasonic fame, laid out the Tap Water Philosophy (Principle of accessibility) saying, “The mission of industry is the conquest of poverty. For this, we must build wealth by producing hosts of goods. You won’t accuse someone drinking your water if it is tap water. This is because there is plenty of water and it is inexpensive. The mission of industrialists is to also be like providing tap water, to supply inexhaustible cheap products, and to build paradise.”

He also announced the “250-Year Plan” to fulfill this mission and we have established this day as “Foundation Day” to mark the anniversary of the true founding of our company. Tap water runs back into the rivers and out into the sea, and eventually evaporates and becomes clouds to rain down on all life. While we continue to delve into the true meaning of the “Tap Water Philosophy,” we feel that we have entered an era where we should search for a new kind of industry that, like water, can continue in its cycles endlessly.

Henry Ford And The Model T



On May 26, 1927, Henry Ford watched the fifteen millionth Model T Ford roll off the assembly line at his factory in Highland Park, Michigan. Since his “universal car” was the industrial success story of its age, the ceremony should have been a happy occasion. Yet Ford was probably wistful that day, too, knowing as he did that the long production life of the Model T was about to come to an end. He climbed into the car, a shiny black coupe, with his son, Edsel, the president of the Ford Motor Company. Together, they drove to the Dearborn Engineering Laboratory, fourteen miles away and parked the T next to two other historic vehicles: the first automobile that Henry Ford built in 1896, and the 1908 prototype for the Model T. Henry himself took each vehicle for a short spin: the nation’s richest man driving the humble car that had made him the embodiment of the American dream.

Henry Ford invented neither the automobile nor the assembly line, but recast each to dominate a new era. Indeed, no other individual in this century so completely transformed a nation’s way of life. By improving the assembly line so that the Model T could be produced ever more inexpensively, Ford placed the power of the internal combustion engine within reach of the average citizen. He transformed the automobile itself from a luxury to a necessity.

The Advent of the Model T seemed to renew a sense of independence among Americans who had lost their pioneer spirit to industrialization. Yet the methods that Henry Ford devised for producing his car so efficiently advanced that very industrialization. Like its inventor, the Model T represented both high ideals and hard practicalities.

How you can beat the 40's blues



Most leaders move up the ladder in their 30s by managing resources. Someone who used to manage a project team of 15 when he was 30 probably managed 250 people at the age of 35. Someone who ran a help-desk with 50 clients, today runs with 500 clients. Someone who looked

after an area office as an Area Manager, probably now is a National Sales Manager with several Area Managers reporting in to her. While managing resources and scaling is the more prevalent form of value add, by itself, it is not enough.

The next area is that of managing technology. Some became famous in the company as the go-to person on all SAP issues. Someone else understood all complexities related to. Net or Java or network security or let us say, VLSI design. What people forget, while transitioning to 40s, is the fact that mastery of technology and managing technology are not the same things. As you move into your 40s, the organization expects you to provide thought leadership in your area of technology, demonstrate anticipative skills, advise a larger set of people on trends and help in actioning the trends, attract talent, be a spokesperson in the area and build organizational credibility, contribute to knowledge management through creation of content and such things.

Most importantly, you must transition from knowing technology to understanding the economics of technology. This is a point usually lost on geeks. While in your 20s, it is okay to focus on writing defect free java code; at 40 you must be able to appreciate the economics of it all. Imagine the Chief Technology Officer at Microsoft or Oracle or Sun. None of them could get their without a profound understanding of customer needs, industry dynamic, economic issues surrounding the application of technology.

While managing resources and technology are easy to understand, the other two are not. These are, managing complexity and rain making. Managing complexity is becoming increasingly critical to being seen as a competent leader in the organization. Higher you go, more important is the need. If you observe what your top management really does, you will find that seldom they are managing resources or technology. More often than not, they are involved in managing complexity. Managing complexity is about handling situations without a script. It is about dealing with suddenness of events or their unanticipated consequences. It is about coping

with externalities that can have a make or break impact on the organization. No one rehearses these; no MBA degree gives you the ability to manage complexity.

Rainmaking

Rainmaking is the disproportionate ability some people have, of creating value out of nothing. Send a business development person to a barren land or a skunk hole. He converts that to a million dollar annuity stream. Show a doubting prospect a particular delivery manager and after a fifteen-minute presentation the prospect says, if the organization commits to putting this delivery manager on the project, she will sign the deal. That special ability is about rainmaking. Traditionally, people considered that it is the job of the business development folks to impact top line. Not anymore. If we look at any successful CEO around us, we will find that increasingly, their No. 1 job is to sell. You may be a delivery head, a HR head or a finance head – your growth in the 40s will squarely depend on how well you sell the organization, its products and services and does your presence impact new business and profitability?

Having looked at core professional issues that need attention, people in 40's need to dwell on a few behavioral aspects of their functioning. Here is a list.

Do more by doing less

Try to do more by doing less. As young managers, people tend to be all over the place. Some people revel in multiplicity. Most people act before they think. This is time now for you to act and contemplate at the same time. Contemplation becomes a very important facet of your work. To be able to contemplate, you have to disengage from doing too many things at the same time, to prioritize, based on the principle of organizational leverage.

Learn some thing completely new

The second thing to do is to learn something completely new. This need not be professional. Learn to play a new sport, a new foreign language, or a new hobby. Pick up something that engages you, revives the spirit of curiosity and learning in you. Know that you are in that period of your life where unless you exercise your faculties, they will tend to decay.

When you get on to the task of learning something new, on one hand you are learning it, on the other hand, you are learning to learn after a long gap of time! That is the more important benefit. When you learn something new and different, it is a great thing if you are able to involve your spouse. The collective effort helps bond in a never before way, you discover things in each other that you never knew existed.

Be one with the sport

When we first learnt a sport, recall how we mastered the

Suggested reading: *Claiming Your Place at the Fire: Living the Second Half of Your Life on Purpose* by Richard J. Leider and David A. Shapiro; September 2004

game. There was a time when we used to focus so much on the game itself, that we never became one with the game. If we watch ace players, we will find that even as they are stretching themselves to the limit, they do not show the strain on their face. That is because, at that level, they become one with the game. At work, we get fatigued because we do not love our game as much as a champion loves the sport.

Be your own benchmark

As you move to your forties, remember to be your own benchmark. It is time to bury past rivalries, stories about who got which promotion ahead of whom, and which batch mate in which company has amassed how many houses and cars. Such comparisons are often without the benefit of full data and most of the time, counterproductive. Set your own goals and go achieve them.

Study professional practices outside the organization

Till now, you could learn from your own organization. You could learn from your superiors. Not anymore. The time has come for you to look outside for learning and now the organization depends on you to import those and spread the knowledge internally. Sometime I meet leaders who get frustrated that there is nothing more for them to learn from their own organizations. They do not realize that it is their turn to create new learning. Without that realization, wherever they go, they will carry the same frustration.

Groom a replacement

Actively grooming a replacement enables expansion of roles, encourages thinking beyond the obvious. Grooming a replacement can itself be a very regenerative experience. People who have done it can tell you how satisfying the process can be.

Just as you groom a replacement, think of mentoring others. The process of mentoring itself creates renewal. Sometimes, we learn from our mentees more than from classroom training.

Learn to learn

During your 20s, you learnt by doing. In your 30s, hopefully, you learnt by observing. You looked at your superiors, your competitors, your clients and learnt how people do things they do. Now is the time for you to “learn to learn”. You still have a runway ahead of you. In a knowledge intensive industry, the only way you can remain ahead is by learning. The issue is how do you learn? Also, the issue is how quickly do you learn? The sources of learning themselves may change as the compression of time takes place in your work a day life.

You may have to pay attention to what you read, participate in industry bodies and interest groups and find newer ways to accelerate learning and absorption.

Watch your health

I jokingly tell my managers that left to nature; we would all be dead by forty. Only in the last three generations, we are seeing average life expectancy get beyond 40s to what it is today. So, for thousands of years, the average human life got over at 40. In that sense, the factory warranty with which you were shipped gets over by the time you are 40. Thus every day after that, you are out of warranty and must take special care of your health. There is a direct link between the body and the mind. It is important to recognize problems and issues early on, communicate openly about those and get medical help if needed. Addressed in time, small steps prevent larger problems.

Pray

Someone said very aptly, “Courage is fear with a prayer on the lips”. Praying deflects negative energy. It releases new hope in us and slows down the internal hustle bustle. Even a ten-minute prayer or contemplative silence before you start your day can have miraculous impact. It is not even necessary to pray to a God. Praying within, recognizing a higher force, a higher scheme of things restores self-confidence, broadens our horizon of thinking and calms us deep inside. As we have seen earlier, mid-life transition is designed to make us psychologically whole and spiritually aware. This sense of spirituality is not about religion – it is about something much larger.

The most pronounced effect of mid-life transition is lack of fulfillment. Sense of fulfillment is a like a pitcher. Most people keep it under the tap of their profession. No tap can keep filling the pitcher at all times. Sometime, the tap will fill in bursts. Sometimes, it will be a trickle and sometime, it may even go through a dry spell. The trick is to have multiple taps filling in to the pitcher. These could be the taps of family belonging, a hobby, a passion, a sport, a professional network, or a community service activity. Thus, even if sometime one or more tap trickles or goes dry, still the pitcher of fulfillment will be full. Professionals who have a one-dimensional existence run the risk of the pitcher remaining unfulfilled as they make their mid-life transition.

In closing, I am reminded of a very apt statement I came across while researching the subject of mid-life transition. It says, mid-life is a transition from who I want to be, to who I am and finally to who I am meant to be. Once we understand this larger purpose, we are able to welcome the years without the anxiety and fear of the unknown.

Subroto Bagchi is Co-founder and Chief Operating Officer, MindTree Consulting. This article is an extract of the speech made as part of MindTree Lecture series, 2004. To read the full article please log on to www.mindtree.com.

Citigroup Hong Kong – Quality Department

Citigroup, the preeminent global financial services company, provides some 120 million consumers, corporations, governments and institutions in more than 100 countries with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, insurance, securities brokerage and asset management.

The Citigroup Hong Kong Quality Department is responsible for delivering training to Citigroup staff to maintain and improve corporate quality.

Quality training is provided in many different forms to fit the employee's need. For example, staff can choose to take training courses if time allows; Interactive CD-ROMs let staff participate in training without requiring a fixed time slot.

However, as more and more training material is generated, more manpower is required to keep the existing courseware updated with the latest content. Also, a huge demand in training interactivity is required; so a more engaging and interesting training platform is essential

<http://www.macromedia.com/cfusion/showcase/>

Lead Generation

Channels Source Direct, February 2003

A developer of high-end asset tracking and lifecycle management software wanted to generate qualified leads for its inside sales force. The company's previous direct mail effort of 100,000-plus mailers per month was proving very expensive, yet only produced a response rate of less than one percent. Channel Source Direct delivered 1,600 leads in only four weeks, far exceeding the client's expectations.

The client's inside sales department found itself in the fortunate position of being able to choose from a large quantity of high quality sales leads, resulting in a continuing long-term relationship with Channel Source Direct.

<http://www.bnet.com>

How You Can Turn \$25 into \$4,000

Give To Get Marketing

Maria, is also an expert organizer. Her website, 'Get Organized Now' is one of the most popular and successful organizing sites on the Web. Before she moved her organizing business to the Web, Maria used to market her personal organizing services to individuals and businesses.

Using a variety of powerful marketing techniques she grew an incredibly successful organizing business in a very short period of time. Maria knew that she would get very little business by merely placing ads in the local media for her services, even though this is what 90 percent of all small business owners do. She was willing to do this if the business

owner would allow her to present the free workshop in one of her conference rooms at no charge, and would include an invitation to the workshop in her next invoice mailing to her list of clients.

<http://www.bnet.com>

Singapore Airlines 2004: Managing organisational change in a turbulent environment

By Wee Beng Geok & Shirley Koh

The emergence of low cost carriers in Asia was a threat to Singapore Airlines' proven and successful business model based on premium fares for premium services in early 2004.

To maintain what the airline's shareholders regarded as acceptable returns, while continuing with its well-developed and highly effective work processes and systems, the company had to make deeper cost cuts in its operations. Consequently carefully nurtured and well-established relationships between employees and management were subject to tremendous stress and strain. The challenge for the CEO was how to balance the different and sometimes conflicting needs of various stakeholders while effectively managing the imperatives of massive changes taking place in the airline industry in Asia.

<http://www.asiacase.com>

Zara: IT for Fast Fashion

By Andrew McAfee; Anders Sjoman; Vincent Dessain

In 2003, Zara's CIO must decide whether to upgrade the retailer's IT infrastructure and capabilities. At the time of the case, the company relied on an out-of-date operating system for its store terminals and has no full-time network in place across stores. Despite these limitations, however, Zara's parent company, Inditex, has built an extraordinarily well-performing value chain that is by far the most responsive in the industry.

http://harvardbusinessonline.hbsp.harvard.edu/b02/en/cases/cases_home.jhtml

Work and Job Search Related Stress

By Monica C. Higgins; Stacy E. McManus; Zibby Schwarzman

Explores the experience of work-related stress and examines various coping tactics. Pays particular attention to stress related to the job-search process.

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

The Lucas Chevrolet File

By John S. Hammond III

Provides background to debate, how to conclude negotiations, critique how large claims have been handled, and discuss how to manage them better in the future. Teaches negotiation strategy and the effective management of negotiators.

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



Work as a platform for personal greatness

In this age of whitewater change, too many people see work as a means to an end rather than as a means to personal greatness and self-actualization

By Robin Sharma

We see work as a place we go to “put in the hours” and to generate income to pay the bills and deal with the responsibilities that life presents to us. However, there is a different way that we can see work: as a platform to discover who we truly are and to play our highest games as human beings. If we choose to keep our eyes open at work, we will notice that every day, our personal resistances come up.

Every time someone asks you to deal with a new process or embrace a new change, you have a choice: you can pay attention to your resistance or you can blame and point the finger. When you make the former choice, you are using work as a chance to grow as a human being. When you study your resistance and investigate it more deeply, you gain a clearer sense of the source beliefs that are driving it, to evolve into the higher version of the person you are meant to be. When you pay attention to the things that frustrate you at work and keep your eyes open to the things that you avoid dealing with as you go through your professional life, you gain clarity and a greater awareness of the things that are keeping you small. Then, if you make the choice to do the inner work required to move through these resistances, you transcend your fears and connect with your personal freedom.

Great leaders are constantly confronting their resistances. And in doing so-during your work days-you will actually use work as a platform to become your best self. Imagine that? Seeing your work as a magnificent opportunity to “bump up against” the things that are limiting you in your life and to do the inner work required to rise above them. If you live from this frame of reference, work no longer becomes a chore. Instead, work becomes a place of possibility and individual enlightenment.

Work should be fun. As I say in my keynote speeches, “the job of the leader is to create a workplace where it’s safe to be human again.” Elite performing individuals are those who take every apparent “problem” at work and use it as fuel for their forward success. When a client gets angry at them, rather than pointing the finger at the client and making it all about them, they look within themselves and pay attention to any irritation that may be surfacing within them. They then go deeper and evaluate the beliefs that are creating this emotional response. Just as shadows dissolve when placed in the sunlight, your personal shadows and your limiting beliefs begin to dissipate once you put them into the light of your conscious awareness. In terms of practical tools to do this, journaling is still one of the most powerful ways to personal transformation and self-leadership.

The more you can journal about your behaviors at work and the things that you are resisting, the more you will take

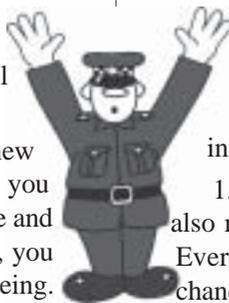
those limiting practices and bring them into the light of your mental awareness. And the more you can become aware of the things that are keeping you small, the more you can make higher choices during the moments of your days. Remember, the final freedom that every single one of us possesses is freedom of choice. Choose to play your highest game in life.

Here are four daily practices that you can engage in to use work as a platform for personal greatness:

1. Remember that the things that frustrate you at work also represent huge opportunities for personal evolution. Every time you get irritated, you are presented with a chance to become more aware of a personal weakness that can be transformed into a personal strength.
2. Find 10 minutes at the end of your workday to write in a journal. Writing in your journal allows you to become precisely aware of your motives, behaviors, as well as your fears. The more you can write about the things that are limiting you, frustrating you and keeping you from the work life you want, the more you will be able to create a richer experience on the job.
3. See yourself as an Evangelist. The word evangelist literally means “a person who spreads good news.” While you are at work, keep reminding the people on your team that their work matters. Keep reminding the people on your team that they must treat each other with respect and dignity. Keep reminding the people on your team that work is a great place to confront one’s fears. Keep having conversations around the fact that every day at work is an opportunity to stretch, grow and evolve into our best selves. Be an evangelist and spread this good news about the possibilities that work represents.
4. Articulate a 1-paragraph legacy statement. The more you can connect with “a Higher Cause” the more you will be able to make authentic choices as you go through your work days. The deepest need of every human being is the need for self-transcendence. We all have a deep human hunger to know that our work matters and that the products and services we offer make a difference in people’s lives.

The more you can focus on this legacy, the more you will be able to rise above any adversities that you encounter at work. The more you open not just your head but your heart to some kind of a central mission for your work life, the more you will emotionally engage around this “crusade” and do extraordinary work. And the more your work engages your personal talents as well as your human gifts, the more you will indeed be using your work as a platform for personal greatness.

For inspirational reading visit www.robinsharma.com



Claiming Your Place at the Fire: Living the Second Half of Your Life on Purpose

by Richard J. Leider and David A. Shapiro

Berrett-Koehler Pub; September 2004



The setting: a starlit night in an African baobab forest. The cast of characters: tribal elders, fleet-footed impalas, and the winged Honey Guide. Whoa! Is this a business book? Well, not exactly. *Claiming Your Place at the Fire* is as much a take-back-your-life manifesto as it is a business book. For baby boomers approaching middle age and wondering what they are going to need to live the second half of their lives with passion, this is an inspiring blueprint. (If that doesn't sound like you, you're just as likely to say "no thanks.") The authors, who previously wrote the best-sellers *Repacking Your Bags* and *Whistle While You Work*, offer help for those struggling with work-life balance, dwindling passion in their jobs, and a feeling that they are doing little more than slouching toward retirement.

Customer Chemistry: How to Keep the Customers You Want - and Say "Good-bye" to the Ones you Don't

Naylor, Mary Greco, Susan, Rs 195, Tata Mcgraw-hill, 2004

Customer Chemistry turns conventional marketing wisdom on its head. While most marketing books focus on pursuing and landing every possible new customer, this profit-focused book show you how to identify your A-List customers and strengthen relationships with them—instead of wasting time and money on high-maintenance, low-margin, B-List clients. *Customer Chemistry* show you how to uncover and focus on the former as you recognize and discount the latter, tightening your entire marketing and customer relationship.

The Chinese Tao of Business:

The Logic of Successful Business Strategy

by George T. Haley, Usha C.V. Haley & Tan Chin Tiong, September 2004



How can managers discover, develop and implement successful business strategies for China and our global economy? Drawing on in-depth research with top executives of successful Chinese and Western companies, this book provides a road map for profitable business strategies in our interconnected economy. In the process, the authors describe and examine both Chinese and Western strategic management, their weaknesses and strengths.

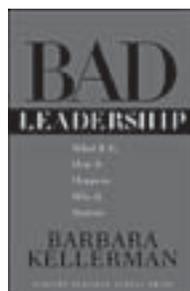
Starting with an analysis of the historical, cultural and legal antecedents of Chinese strategy, the authors identify potential

for synergy and dominance between companies from Western, industrialized economies and Chinese companies. The book closes with recommendations on how the managements of non-Chinese companies, now pouring into China, can most effectively compete and interact with Chinese businesspersons and governments.

The Chinese Tao of Business offers guidance to compete successfully against local companies and in foreign markets.

Bad Leadership: What It Is, How It Happens, Why It Matters

August 2004, Barbara Kellerman, HBS Press Book



How is Saddam Hussein like Tony Blair? Or Kenneth Lay like Lou Gerstner? Answer: They are, or were, leaders. Many would argue that tyrants, corrupt CEOs, and other abusers of power and authority are not leaders at all—at least not as the word is currently used. But, according to Barbara Kellerman, this assumption is dangerously naive.

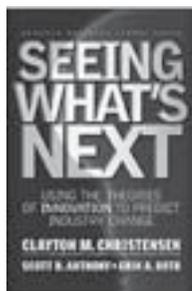
A provocative departure from conventional thinking, *Bad Leadership* compels us to see leadership in its entirety. Kellerman argues that the dark side of leadership—from rigidity and callousness to corruption and cruelty—is not an aberration. Rather, bad leadership is as ubiquitous as it is insidious—and so must be more carefully examined and better understood. Drawing on high-profile, contemporary examples—from Mary Meeker to David Koresh, Bill Clinton to Radovan Karadzic, Al Dunlap to Leona Helmsley—Kellerman explores seven primary types of bad leadership and dissects why and how leaders cross the line from good to bad.

The book also illuminates the critical role of followers, revealing how they collaborate with, and sometimes even cause, bad leadership. Daring and counterintuitive, *Bad Leadership* makes clear that we need to face the dark side to become better leaders and followers ourselves. Barbara Kellerman is research director of the Center for Public Leadership and a lecturer in public policy at the Kennedy School of Government, Harvard University.

Seeing What's Next: Using the Theories of Innovation to Predict Industry Change

September 2004, Clayton M. Christensen, Scott D. Anthony, Erik A. Roth, HBS Press Book

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, internationally renowned innovation expert 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 the Robert and Jane Cizik Professor of Business Administration at Harvard Business School, with a joint appointment in Technology & Operations Management and General Management. Scott D. Anthony recently joined Innosight, LLC as a partner. Erik A. Roth recently joined McKinsey & Co. as a consultant in its Boston office.

The CEO and the Monk : One Company's Journey to Profit and Purpose

Robert B. Catell, Kenny Moore, Glenn Rifkin, John Wiley; January 2004



The book shows executives how to instill a philosophy that balances bottom-line demands with a sense of caring. This is a wonderful story of commitment, integrity, and the power of relationships. It offers the possibility that executives who care about community and people bring both honor and economic success to their business. Inspiring and practical, *The CEO and the Monk* threatens to restore our faith in those

who lead us. It is a fairly well-written devotional tract that will inspire far more than it enlightens.

Building the Bridge As You Walk On It: A Guide for Leading Change

Robert E. Quinn, April 2004, Jossey-Bass



The book tells the personal stories of people who have embraced deep change and inspired author Robert Quinn to take his concept one step further and develop a new model of leadership—"the fundamental state of leadership." The exploration of this transformative state is at the very heart of the book. Quinn shows how anyone can enter the fundamental state of leadership by engaging in the eight practices that center

on the theme of ever-increasing integrity—reflective action, authentic engagement, appreciative inquiry, grounded vision, adaptive confidence, detached interdependence, responsible freedom, and tough love. After each chapter, Quinn challenges you to assess yourself with respect to each practice and to formulate a strategy for personal growth.

Business Economics and Managerial Decision Making

Trefor Jones, June 2004, John Wiley & Sons



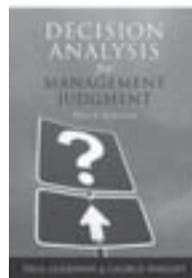
Business Economics and Managerial Decision Making is an essential introduction to business economics. A core textbook for students with a grounding in introductory microeconomics, it examines the nature and structure of the firm, and explores the economic principles underlying major business decisions. This accessible text avoids overly mathematical analysis, using diagrams, graphs and tables to explain economic theory.

Trefor Jones draws upon current research and real-world examples from around the globe to illustrate the practical implications of economic theory for the business of the firm. In addition, a major chapter-length case study of a single enterprise (Stagecoach plc) provides an integrative real-world analysis of the core concepts and major theories developed throughout the book.

Extending the approach traditionally taken by business economics texts, Trefor Jones introduces material on the boundaries of the firm, including its growth and development, diversification and mergers.

Decision Analysis for Management Judgment, Third Edition

Paul Goodwin, George Wright, February 2004, John Wiley & Sons



Decision analysis can play a valuable role in helping people make decisions that involve risks or multiple objectives, but potential users are often deterred by the presentation of the subject in a mathematical form. This book aims to make decision analysis accessible to managers and administrators. Written in a user-friendly style, with little or no mathematical notation, and using practical examples, the book is unrivalled in its breadth of coverage of decision analysis methods. It demonstrates the pitfalls associated with unaided decision making and shows how difficult decisions can be tackled in structured ways so that new insights emerge and a documented and defensible rationale for the decision is established.

Spirituality and service go together

Spirituality encourages belongingness. This in turn leads to greater fellowship and lower corruption in societies

By Sri Sri Ravishankar



Often business is looked down upon by spiritualists and spirituality is put off as non-practical by businessmen. Spirituality is the heart, business is the legs, and that is what the ancient people conceived.

An individual or a society is incomplete without both these aspects. Business brings material comfort and spirituality brings mental and emotional comfort. Spirituality brings ethics and fair practice to business. In the body/mind complex depriving any one comfort means depriving both the comforts. You cannot talk spirituality to the poorest of the poor people without taking care of their basic needs. They need to be supported materially.

There is no spirituality in the world that is devoid of service and service cannot happen if material needs are ignored. Service cannot happen only through the lips. For service to move, you need legs.

Every system has its flaws. As capitalism exploits the poor, socialism dampens individual creativity and entrepreneurial spirit. *Spirituality is the bridge between socialism and capitalism.* Spirituality gives the heart to serve to the capitalists and the spirit to innovate to the socialist.

Spirituality is coming closer to the nature, not going away from it. Spirituality is like the banana and religion is like the banana skin.

India got freedom because of spiritual renaissance. M K Gandhi got the name Mahatma because he gave spiritual meaning to the freedom movement. Through *satsang* every morning and evening he brought all the people together, motivated them and uplifted the environment.

We seem to have forgotten the spiritual dimension of our history. Because of this depression and violence is increasing by the day.

Lack of spirituality causes two things. One is aggressive behavior and the second is depressive or suicidal tendency. It's not that only the poor are committing suicide, the rich, well-educated people who have access to enjoyment, are committing suicides. For example, Finland has one of the highest per capita incomes in the world yet it also has the highest suicide rate. It is the lack of inner strength and the upliftment of the spirit that is causing the problem.

What does spirituality offer? It relieves you from anger and violence, depression and suicidal tendency. More importantly, it empowers someone from within to take up action for everybody. It creates a sense of belonging.

The Art of Living Institute's breathing and yoga sessions have shown tremendous results in war-torn Iraq, among Kashmiri militants and even among the naxalites. We are succeeding where none of the conventional medicines could do.

One of the big reasons for corruption is lack of belongingness. It happens outside the boundary of belongingness. Now, how to expand the sense of belongingness? In Haryana the administrative expenses for distributing Rs. 4 crore worth of medicines is Rs. 150 crore. And if a motivated voluntary organization of an NGO undertakes the same task, the administrative cost will be as low of three percent of the total outlay.

Sense of belonging can be expanding by several techniques that are used in Art of Living centers. Art of living simply means appreciating life. If you appreciate everything and everybody you appreciate the spirit in others.

It is your neighbor who will help you when you are in trouble and not your son who is in America. So it is important to develop a sense of belonging with your neighbors. Belongingness is part of the Indian culture. It is still there in the villages and we should not lose it in the urban areas.

We need to pick up good things from every part of the world without losing our culture. We should learn teamwork from the Japanese, precision from the Germans, decency and etiquette from the British, marketing and negotiation skills from the Americans and human values from Indian villages. Even if they have two glasses of *lassi* they will share one with you. We should not allow the human values to disappear from us. We all have to work for this.

All of us easily welcome and enjoy food from different countries. Why can't we also do the same for wisdom from other countries? Today is a time for globalising wisdom. We cannot live in a narrow, isolated pocket. A universal, global approach to spirituality is what the world is looking forward to today.

Diversity of thinking is good. Christianity has 72 different sects, Buddhism has around 35 and it's better not to count how many divisions Hinduism has. They all open up many dimensions of the same religion. What is however common is the spiritual thread that runs through all of them.

In the US, Yoga is a \$27 billion industry. Ninety nine percent of the teachers are the locals. While they have adopted it in such a big way, why are we disowning it?

Excerpts of a speech delivered in Bangalore in August 2004.





Brand MR is getting predictable!

Questionnaire based market research is becoming a joke. Combining observation with it can lend some credibility

-by Harish Bijoor

The other evening, just as I was getting ready to lounge around in my beanbag with a Wodehouse for company, I heard the bell ring. There was a beautiful damsel at the door. She introduced herself as a freelance researcher with one of the big names in the business. She handed me a questionnaire and asked me if I could spend ten minutes with it, all for the cause of consumer market research. I agreed.

Beautiful damsel sat herself down at my dining table and I ambled across, sitting right across her gaze. Nirupama introduced herself. I introduced myself. But that was not going to be enough. Nirupama wanted more. She sought my permission to administer a ten-minute questionnaire. I agreed.

Nirupama started off with the usual questions that trapped my demographics. That was comfortable. What followed was not comfortable though. Pretty Nirupama wanted to know my recall for brands of gent's undergarments. I thought this was an "andhar ki baat hai", but the pretty lady wanted to know. She was faithfully recording it anyway. I steeled myself into a mode of underwear bravado and answered away.

I had to tell Nirupama everything about the underwear in my life. Where did I buy them? How often did I purchase them? Did my wife or mistress have a role in the choice? In the bargain, who are the people who normally saw me in my underwear? When do I think of purchasing underwear?

The questions went on in this strain for much more than those promised ten minutes. By the time we ended, Nirupama knew my every point of view on men's underwear. My possessions, usage, attitude and preferences. Nirupama knew a little too much of me for my comfort.

And that's the point of this piece. Brand Market Research is becoming quite an invasion into the privacy of the masses. So it seems. Willing masses at that! The trend in the market place tells you that a willing urban Indian housewife is quite likely to get a minimum monthly call from the friendly Market Researcher. As the Market Researcher weaves her way into the homes of India, there are many points of worry that come up. Just to look at two of them.

1. What happens to the privacy of many a person like me? These guys know a lot of what I eat, what I entertain myself with, what I think of 'this' and 'that'! And I am contributing to the process of ultimately being treated as a clonal consumer with clonal habits and views. Some company or the other is going to use what I say and produce that "average" product or service for all the "average" people like me!

2. Administered questionnaires such as the one Nirupama administered on me ruthlessly are getting to be passé. They don't seem to elicit enough. Elicit enough reliably and candidly enough. As Nirupama, the stranger, captures my demographics and ownership patterns, I can well nigh try and impress the girl

by reducing my age, inflating my income, promoting the car I own from an 'Esteem' to a 'Pajero' and conveying attitudes that are more aspirational than real. Dear Market Researcher, all of us know this happens! What are we doing about it?

A dip-stick cross check study done by me through intrepid young summer trainees, much like Nirupama, across some 120 respondents, to cross check just two parameters, viz. Income and vehicle ownership, reveals gory facts. The methodology was to target these 120 homes, identify a respondent within the house, and make six separate visits to the house with an administered questionnaire that asked 40 questions. A different person would make each of the visits. This was done over a period of four months.

The results: Of the 120 questionnaires administered, six times in a row, only 66 matched in responses on the two parameters of income and vehicle ownership responses. In many cases, income figures fluctuated as much as 400 percent during the period in question. These responses, mapped beautifully, respondent-to-respondent paint pretty fluctuating lines with peaks and troughs that are exciting to read. We were careful to do this study well after the annual increment month of April!

Further, understating of income, as if these young summer trainees were income tax officers in disguise, was a common phenomenon. A prosperous gynecologist with a monthly family income of Rs.5000! A family with an executive employee in a foreign bank and an income of Rs.3500!

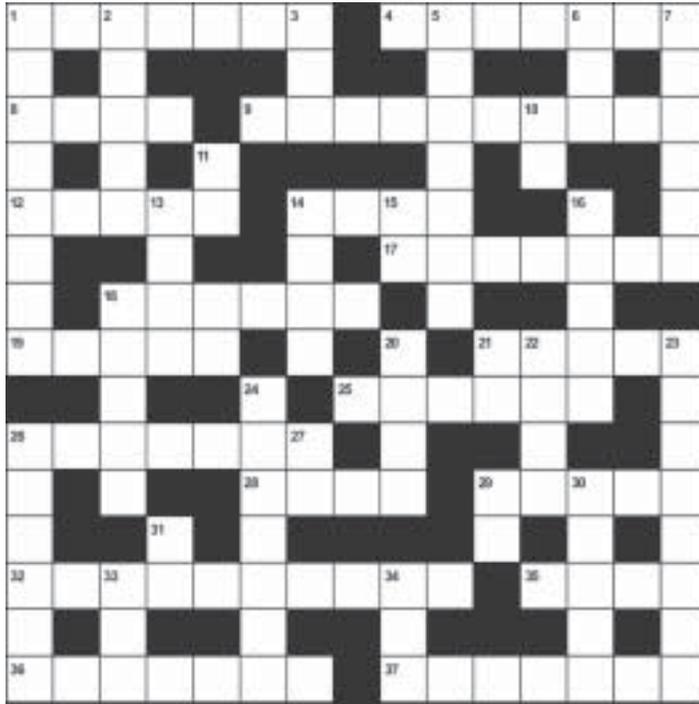
Vehicle ownership data was much more reliable. Only 22 per cent of the respondents "mis-represented" (a polite way of putting it) their vehicle ownership types. This kept changing as well!

Administered questionnaires do seem to have a problem. Responding to a pretty girl like Nirupama, I get pretty aspirational in my responses. Want to trap the real me? Do a wardrobe study dear Nirupama. Walk into my house. Surprise me. Take my permission. Open my wardrobe, pick up each of the garment you are researching and record the data as you see it! A much more reliable way of doing it?

Want to trap my vehicle ownership data? Check out my garage. Get real. Work a wee bit harder, and junk all these questionnaires. Observational techniques are that much more reliable. Maybe you could still administer these questionnaires, just for old time's sake. Maybe you could compare these verbal responses with what you see and record.

What say, Nirupama?

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



Across

- 1 & 19 He says business will face a borderless world (7,5)
- 4 She founded the human relations school of management (7)
- 8 Company founded by 25 Across (abbrvn.) (4)
- 9 The educational path followed by many like Nilekani! (3,4,3)
- 12 Popular American brand of 21 Across (5)
- 13 What RS Lodha is contesting! (4)
- 16 Once there's a new one, dealers will never sell at this (3,4)
- 17 Monk who sold his Ferrari (6)
- 19 See 1 Across
- 21 You need this to dial up and access what 7 Down created! (5)
- 25 Narayana! Narayana! (6)
- 26 The industry that put Tiruppur on the map (7)
- 28 Bangalore's Tech Park (4)
- 29 The market is full of ups and ____ (5)
- 32 Japan's management god (first name) (10)
- 35 The type of market that 15 Down would suggest?! (4)
- 36 The most prolific management writer (7)
- 37 Associate him with the power of informal networks (7)

Down

- 1 Toyota Corporation founder (8)
- 2 The ____ Fifty stocks! (5)
- 3 Indian Telephone Industries (acronym) (3)
- 5 The Moor of Venice (7)
- 6 One way to pay back a loan (acronym) (3)
- 7 Creator of the world wide web (3,3)
- 10 Opposite of yes (2)
- 11 & 31 Many people sell goods in this condition (2,2)
- 13 You certainly cannot accuse Gates of being one! (4)
- 14 ____ and behold! (2)
- 15 The reluctant capitalist who reflected! (5)
- 17 Mobile phones are increasingly becoming this (5)
- 18 Assistant Engineer (acronym) (2)
- 20 Stockmarket animal (4)
- 21 One of the BPO rages - a boon to doctors? (Acronym) (2)
- 22 The ____-Manipal School of Business (4)
- 23 He coined the term "global village" (first name)(8)
- 24 Don't make one on the market!!! (2,5)
- 26 The most coveted certification of quality written backwards! (6)
- 27 Ping pong (acronym) (2)
- 29 Medico (abbrvn.) (2)
- 30 Neutron Jack (5)
- 31 See 11 Down
- 33 Lao and Sun! (3)
- 34 ____ Heuer (3)

Answers to CROSSWORD - 003

Across

- 1 Freely convertible currency 9 Revolving 10 Counter trade 12 EEFC 13 IBRD 15 ECB 16 Incoterms 17 FEMA 19 NRI 20 OECD 23 RBI 25 GDR 26 FEDAI 29 Cover 31 Cross Currency Option 33 SWIFT 34 Spot rate 39 Premium 40 ISP 41 Green clause 42 UCPDC 44 TT 47 Exchange Rate 48 Call 49 Put 50 ECGC

DOWN

- 1 Forfeiting 2 Electronic data interchange 3 Escrow 4 irrevocable letter of credit 5 EURO 6 Confirmed 7 EU 8 Hedge 11 Nostro 12 Euribor 14 WTO 18 Exact interest 21 DEA 22 Labor 24 URC 26 Forward contract 27 ICC 28 FFC 30 Working group 32 PIP 35 Exposure 36 Usance 37 MIGA 38 Red clause 43 Swap 45 Target 46 ICB

EXPANSIONS FOR ABBREVIATIONS

ACROSS

- 12 EEFC - EXCHANGE EARNERS FOREIGN CURRENCY (ACCOUNT) 13 IBRD - INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT 15 ECB - EUROPEAN CENTRAL BANK 17 FEMA - FOREIGN EXCHANGE MANAGEMENT ACT 19 NRI - NON RESIDENT INDIAN 23 RBI - RESERVE BANK OF INDIA 25 GDR - GLOBAL DEPOSITORY RECEIPTS 26 FEDAI - FOREIGN EXCHANGE DEALERS ASSOCIATION OF INDIA 33 SWIFT - SOCIETY FOR WORLDWIDE INTERBANK FINANCIAL TELECOMMUNICATION 42 UCPDC - UNIFORM CUSTOMS & PRACTICES FOR DOCUMENTARY CREDIT 50 ECGC - EXPORT CREDIT & GUARANTEE CORPORATION
- DOWN**
- 7 EU -EUROPEAN UNION 12 EURIBOR- EURO INTERBANK OFFER RATE 14 WTO - WORLD TRADE ORGANISATION 21 DEA- DEPARTMENT OF ECONOMIC AFFAIRS 22 LIBOR- LONDON INTERBANK OFFER RATE 24 URC - UNIFORM RULES FOR COLLECTION (ICC 522) 27 ICC - INTERNATIONAL CHAMBER OF COMMERCE 28 FFC - FREE FOREIGN CURRENCY 46 ICB- INTERNATIONAL COMPETITIVE BIDDING.

The first three correct answers



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Reach us to Reach them

How GE founder went bankrupt



Thomas Alva Edison, inventor of the light bulb and founder of the revered General Electric, never went to school. He had to work hard to earn a living. And everything he earned he put into his experiments. He was a bad money manager and at any given time was either raking in loads of cash or was bankrupt.

Edison founded several companies which finally merged into one and called it Edison General Electric. He owned 10 percent of the shares of the company.

His company was doing well but the books showed that he was generating good revenue but poor cash flow. The other shareholders got fed up and hatched a scheme against Edison. For a start, they deleted his name from the company's name.

When Edison heard this, he was so enraged that he dumped his 10 percent shares at a big discount to market price to hurt those who had schemed against him. But to his surprise, 12 months later, the share price of GE went up 300 percent. Edison found himself penniless. Do scientists make good entrepreneurs? Rarely!

Allow moonlighting

A popular belief, fostered by legendary innovators such as 3M, the diversified manufacturer, is that you should let employees moonlight on the job, by giving them free time to work on innovative projects. Google, the internet search company, encourages its people to spend one day a week working on pet projects – that is, 20 per cent of the company time.

Such an approach might work for a company that is innovative by design. Others can at least make an attempt.

Why iPod succeeded while Newton failed

Mohanbir Sawhney & Robert C. Wolcott of the Kellogg School of Management believe that the Apple Computer has revolutionized the portable digital music industry with its iPod personal music player and the iTunes online music store. However, Apple was not the first to come up with digital music or portable digital players. What Apple did was to create the best combination of an easy-to-use music player and conveniently priced online music. There was nothing radical about the technology but Apple did create breakthrough value for customers by creating the best digital music solution.

Contrast this with Apple's infamous failure – the Apple Newton personal digital assistant. The Newton was a

technological marvel, featuring handwriting recognition, a new operating system and a host of other advances. However, it was a miserable failure because customers failed to see the value. The insight: radical innovations are often not successful, and the most successful innovations are often not radical. You don't need to be the first to solve a problem. You need to be the first to create the right solution – a solution that borrows elements from past innovations to unlock new value for customers.

eBay's detour

In the late-1990s, eBay completed a marketing study concluding that consumers did not want to buy and sell automobiles on its site. At about the same time, eBay's finance function introduced a filter to tease out unusual high-dollar transactions. The filter began surfacing transactions on eBay's die-cast car model site for \$5,000, \$10,000, even \$20,000. Users were trading actual automobiles on the model car site, since it was the closest eBay category they could find.

The research had been misleading, so eBay responded with the introduction of eBay Motors, today one of the company's highest volume sites. Gil Penchina, eBay's vice-president for South Europe, recalls: "It was like throwing fuel on existing flames." So pay attention to those detours – they may be faint signals of the "next big thing".

Swiss knife with a memory chip

One of the most recognizable and copied consumer products of the twentieth century has been updated to twenty-first-century functionality. The venerable Swiss Army Knife—the all-purpose pocket tool that comes with everything from a corkscrew to a toothpick—now offers the choice of a 64MB or 128MB USB memory stick as one of its "blades". Victorinox, which registered the original Swiss Army Knife in 1897, has brought out the SwissMemory, "for computer users on the move."

The SwissMemory is a harbinger of things to come. It's a real trendsetter because it tells us that the concept of carrying data with us has hit mainstream. Now pocketknives carry around more memory than most of the first PC users ever dreamed of.

Ringtones ring in billions



Who would have thought that ring tones on mobile phones, created as a marketing gimmick for music labels and mobile phone operators, would grow into a \$3.5bn market worldwide? The inane tones accounted for almost 10 per cent of the \$32.2bn global music market in 2003. Lesson? Don't underestimate the power of inanity!