

## EDITOR'S NOTE

Some indices indicate that India's booming economy is moving into a "new growth trajectory". This is apt to make us feel great. But well-wishers remind us not to be carried away by only the good news. The advantages from tapping into globalization and the technological revolution as well as the disadvantages of inequitable growth and uneven development were conveyed to students and faculty by Prof Jean-Pierre Lehmann of the IMD, Lausanne, successor to our erstwhile partner IMI Geneva (*Page 1*).

To address inequitable growth and uneven development a major issue to be dealt with is rural poverty, since most of India's poor live in rural areas. IMI hosted a seminar on "Strategies to Reduce Rural Poverty" where participants benefited from exchanging thoughts with people deeply immersed in this area. Prof N C Patnaik, who has led a number of IMI's programs related to taking development to rural areas, writes about this (*Page 3*).

In our rural areas, apart from people who work in agriculture we are fortunate to have also people who produce beautiful handcrafted fabrics. In past centuries this strength created substantial employment and incomes for artisans. Now artisans are not faring well. A major problem is marketing. Fabindia is a retail chain doing commendable work in developing and selling artisanal products. William Bissell, Managing Director of Fabindia visited IMI and shared thoughts with students about the essential traits of Leadership (*Page 5*).

Although we hear less about unemployment these days (because of the noise from the booming economy) it does continue to be a major concern. An impression prevails that the government should do more about creating jobs. But we could probably get more productive jobs if we encouraged the creation of entrepreneurs. B-Schools like IMI are getting involved in developing the spirit of entrepreneurship (*Page 7*).

At the Employment Summit organized by CII and the Planning Commission with IMI as Knowledge Partner it was evident that what is required in addition to a white collar revolution in the knowledge sectors is a blue collar revolution through training skilled workers, artisans, craftspeople as well as repair and maintenance *mistris* for all sectors: agriculture, manufacturing and services (*Page 9*).

To check out the efforts being made by the world community to provide opportunities to improve livelihoods through a level playing field in trade, we had Mr. G.K. Pillai, Commerce Secretary, who plays a key role in India's deliberations at the WTO, tell us about what goes on there (*Page 10*).

IMI Alumni gathered at "Homecoming '07" for the All India Meet on 3<sup>rd</sup> November. The campus was decked up like a bride and agog with excitement and expectations. Music, dancing and much fun prevailed till the wee hours (*Page 20*).

Wishing our readers a bright and sparkling New Year!



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## The Changing Global Economic Paradigm - what does it mean for future Indian business leaders ?

*"It was the best of times; it was the worst of times; the age of wisdom, the age of foolishness; the season of light, the season of darkness; the spring of hope, the winter of despair."*

*Jean-Pierre Lehman\**



The opening lines of Charles Dickens' "A Tale of Two Cities" (written in 1859) is apropos in our times. The novel was set a century before the French Revolution, a momentous event that reflected both the purest ideals of the Enlightenment and saw reality debase itself to barbarity. The late 18<sup>th</sup> century witnessed two revolutions in Europe: a political revolution resulting in the reaffirmation of the nation-state and the establishment of "modern institutions"; and an industrial revolution that transformed humankind's material existence profoundly. Though the ascendancy of Europe had begun, with the rise of the

seaborne empires in the late 15<sup>th</sup> century, the combined political/administrative and industrial/economic revolutions intensified the European advantage. Within a few decades European countries established their power throughout the world. While some colonies, notably in the Americas revolted and gained independence, they continued to be an extension of European power, which in the 20<sup>th</sup> century became known as "the West". This profound transformation witnessed hope and progress as well as repression, tragedy and despair. The adjective "Dickensian" remained in the English vocabulary to describe the abuses of industrialism. The factories and mines of England in the early decades of the industrial revolution were "Dickensian", as are the conditions for many workers in developing countries' factories today.

As the world transits from the 20<sup>th</sup> to the 21<sup>st</sup> century we again witness a dual revolution, political and technological. The political revolution is what I call the global market revolution. Throughout the 20<sup>th</sup> century only a handful of countries, almost exclusively from the West, practiced a market oriented economic policies. These were limited to what was termed the First World, mainly the OECD countries. The communist Second World practiced central command economic policies and most of the Third World, including India, favored import substitution industrialization policies that included high barriers to imports and to inward investments. The Asian newly-industrialized-economies: Hong Kong, South Korea, Singapore and Taiwan were the first to breach that divide. China had begun experimenting with opening markets in the early 80s, initially on a tentative basis.

Then suddenly, within a few years of the destruction of the Berlin Wall in 1989, the market dams burst. Country after country underwent a change - from central command to market orientation. India was one of the main actors in this drama. With "globalization" the world economy moved from being divided to being integrated; it was transformed from being the exclusive preserve of less than one billion persons from high income countries, to being a public good for the world's six billion inhabitants. The technology revolution that propelled globalization was in information and communication. In this India played a key part. These developments marked the beginning of the end of Western dominance.

The "best of times" results of globalization are several. There is the re-emergence of key global economic players, especially India and China. At the turn of the 18<sup>th</sup> century, the combined share of India and China in global GDP was about 50%. By the mid-20<sup>th</sup> century, it dropped to about 8%. At present it is about 20%, and rising. While India and China are the two stars there are many other countries benefiting from and contributing to

*\*Jean- Pierre Lehmann is Professor of International Political Economy at IMD, Lausanne*

the global market revolution and their clout is increasing in political and cultural dimensions.

Furthermore, contrary to reports from the ill-informed anti-globalization “protest community”, globalization has not increased the power of multinational companies. Rather globalization has resulted in the atomization of economic power throughout the global supply chain. Yesterday a multinational required deep pockets to transfer assets and manage risk. Today, a young entrepreneur with a laptop can start her own multinational at low cost and low risk. The opportunities that globalization provides are enormous. So the world economy in the last decade has grown like it has never grown before!

*But, but, but.....*

Unfortunately, it has not all been a bed of roses. Or rather it has been roses for some and thorns for many.

For one thing, this dual revolution, unlike previous revolutions in human history, has unleashed daunting threats in the public sphere. Only the most obstinate sceptics can deny that the planet is under attack from numerous noxious sources. While opportunities may be infinite, resources are finite. Water will probably be the greatest challenge. While there is dispute about energy supply in the face of the rising demand, what is not in dispute is that access to energy is exacerbating geopolitical tensions. The world is also experiencing a population explosion, especially in some of the poorer and more politically fragile countries.

There is an equally daunting, if more elusive, challenge with respect to the global community. No market functions properly, or indeed at all, unless it has the attributes of a community, the most important being trust. Sarajevo had a thriving market when ethnic hostilities broke out, one of the first places to feel the blast, literally through a series of bombs, was the market. Sarajevo was a microcosm of global society. Though we hoped that the global market revolution and the ICT revolution would usher in a “feast of civilisations”, in fact we had a “clash of civilisations”.

While the absence of a sense of a global community is an acute worry, equally so is the deterioration of the global institutional framework. Today, there is not a single international institution whether in the UN, World Bank, International Monetary Fund or World Trade Organization that has widespread legitimacy. Though the world is now multi-polar, and that is emphatically a good thing, every orchestra needs a conductor. For six or more decades that conductor was the US. It was not perfect, but on

balance “*pax Americana*” served the world well. Now the American economy staggers under a Himalayan debt. It must be hoped that the decline of the United States is not irreversible.

While these problems are daunting, the potentially most cataclysmic is the deep and, “thanks” to the ICT revolution, highly visible chasm within societies. The divide is not only in incomes, but in everything one can associate with wealth and welfare. Thus, while the BSE Sensex reached stratospheres generating awesome wealth for some, the rate of Indian farmers' suicides has been mounting. This kind of contrast is not peculiar to India, though it may be more blatant here.

Such inequality and poverty is simply unsustainable. Apart from being morally indefensible and economically deleterious, it is politically suicidal. Because of this individual societies and the planet in general risk facing a backlash, and possibly great instability and suffering.

*Implications for future Indian business leaders.....*

Mahatma Gandhi's quip, when asked what he thought of Western civilization, that it “sounded like a good idea” was, as was generally the case with the Mahatma, absolutely spot on and deep. In looking at India today, perhaps the same thing could be said if one were asked about Gandhian philosophy: “wonderful idea, but what about its application?” Among Gandhi's famous quotations was “There is enough in this world for every man's need, but not for everyman's greed”. I believe this to be true, but I also believe that the failure to recognize the fundamental truth of what Gandhi said on this subject is the underlying cancer of a lot of the social, ecological and economic diseases that the world faces. Greed must be curbed so that the cancer can be cured

Business leaders need to be socially engaged. This must come from a combination of moral philosophy, economic rationality and enlightened self-interest. This is not a question of philanthropy, let alone corporate social responsibility. It is a question of strategy and of real leadership. It is also a question of long-term vision and short-term action. In a nutshell, the global market economy must be inclusive and it must be equitable. The failure of inclusivity and equity will be the primary cause of a collapse of the global market.

Business has the capability of transforming threats into challenges and challenges into opportunities; it must transform capability into a strategic imperative and an agenda for action. A visible process developing in this direction will do a lot, even in a short time, to begin projecting a future of the best of times, an age of wisdom, a season of light and a spring of hope.

## STRATEGIES TO REDUCE RURAL POVERTY : A role for B-Schools ?

*N.C. Patnaik\**

*Rural India, let alone rural poverty, does not engage much attention at B-Schools. The Corporate focus which is closely followed by B-Schools remains largely urban and increasingly global. Is this changing?*



*Mr. Subas Pani, Secretary, Ministry of Rural Development :  
"We will make sure that Corporate India is involved in the design and delivery of vocational training for rural youth to ensure employability"*

### The rural poverty scenario

Rural India has not been attractive to corporates so far because it is largely poor. Here are some features about rural poverty in India:

- 75% of India's poor, that is those living below the poverty line (BPL), live in rural areas
- The trickle down effect of India's expected high growth in the next decade is unlikely to reach the very poor in rural areas.
- Due to the restrictive social groupings and limited delivery infrastructure, Government programs and services may elude sections of the rural poor.
- Agriculture, on which most rural depend, has been declining in growth and productivity. It needs to shed manpower to alternative occupations.
- Traditional unskilled manual services employ the rural poor suboptimally. Skills required for more advanced services.
- Unless a rural poverty issue is reduced there will be large-scale migration to urban areas resulting in increasing urban poverty and pressure on urban infrastructure.

It is mainly among the rural poor that incidence of inadequate basic education, hygiene, women empowerment, malnutrition and health problems are highest. These non income linked factors are important because they correlate to the effectiveness of income generation initiatives and the trickle down factor.

Rural India however presents a vast market potential for a range of mass consumption goods and services if poverty levels could be reduced. Perhaps the business community and B-Schools could take greater interest in the subject. Engaging with rural India could be in the enlightened self interest of the business community, not just a matter of social concern.

*N.C. Patnaik is the Chair for Executive Training and Consultancy at IMI*

### B-Schools and rural poverty

There is a growing realization among corporates about 'the wealth at the bottom of the pyramid' and about integrating rural sources of products and services into supply chains. B-Schools are reacting to this realization and taking increasing interest in rural issues. IMI's involvement in rural India began with several training and consulting assignments last year :

- ITC-IBD of *choupal* fame engaged IMI to design a customized Management Development Program for its Hub Managers to address challenges of managing in a farmer centric supply system.
- The All India Artisans & Craftworkers Association (AIACA), which incubated community owned companies in crafts clusters, appointed IMI to train the CEOs of these companies.
- Fabindia, which is deeply involved in developing and marketing artisanal products made in rural India, appointed IMI to design and deliver a long duration customized Executive Development Program for its management cadre.
- IMI was asked by the National Backward Classes Finance & Development Corporation to undertake a systems study in ten states and frame its Corporate Plan.
- IMI worked closely with the Ministry of Justice and Empowerment to finalize a scheme for creating Training Frameworks to rehabilitate about 300,000 manual scavengers
- IMI organized a conference on micro-financing in collaboration with FICCI which coincided with a welcome to Prof Muhammad Yunus, Nobel Laureate and founder of the Grameen Bank of Bangladesh.

These activities culminated in a symposium which IMI organized on 1 December 2007 on "Strategies to reduce rural poverty" with two objectives : First, to bring together the key institutions engaged in reducing rural poverty such as the Planning Commission, various Ministeries and NABARD on the one hand and B-Schools, NGOs and Aid Agencies on the other. Second, to discuss reducing rural poverty with a more strategic approach.

#### Subjects discussed at the symposium

The symposium included focused panel discussions on the role of agriculture, micro-finance, trade, services, skill development and implementation mechanisms on rural poverty. The ideas considered included :

Is there scope for segmenting the rural poor and focusing attention on the segment which stands the best chance of gaining? Such a strategy bears comparison with the successful formula of the Chinese. But will this approach be acceptable in our federal democratic structure ? And how would Government balance considerations of equity (attention to the bottom of the poverty pyramid) and effectiveness (focus on the top of the poverty pyramid)?

What is the effectiveness record of past measures to reduce poverty such as micro-financing, skill development, primary education, food for work, rural employment guarantees, disease eradication programs and facilities for promoting agricultural and artesian

outputs through credit, extension and skills up gradation. Such schemes have been implemented by different arms of the Government. Can there be better coordination ? Are there enabling measures deserving a quantum increase in resource commitment ?

Which is a faster exit route from the poverty trap ? Continued self employment or more lucrative wage employment, including migration to urban centres ?

There is a need for more innovative delivery mechanisms and role clarity among institutions linking the long delivery supply chain. Can improved performance management systems be introduced to improve ownership, motivation and accountability ?

#### Outcomes from the symposium

The participants' recommendations included :

Allocate more resources to "enabling" measures and less to populist ones like Guaranteed Rojgar Yojanas and various subsidies.

The most important strategic enabler is literacy. But literacy should be defined more stringently. Only a sound primary education can lead to a truly literate rural populace.

Skill development of rural youth, should be undertaken with the involvement of corporates. Private investment should be welcome.

Trade and services will emerge as a major source of rural employment. Government should facilitate these through rural roads, IT enabled communication, banking and credit for small entrepreneurs.

NABARD micro financing is currently 96 percent to women, it needs extension to men.

Implementation mechanism can be strengthened by training officials at district level at Panchayat Raj Institutions in rural India. Retired persons constitute a source of skills and knowledge which should be harnessed for various rural initiatives.

In future agriculture will contribute less to GDP and employ fewer people. Productivity increases will be the main thrust and farmers income can consequently go up.

#### Ideas for Business Schools from this symposium

Poverty reduction projects will involve complex managerial issues with which corporates are not yet familiar . B Schools can provide inputs which would be useful to corporates

B-School students could be made conscious of emerging entrepreneurial opportunities in rural India.

Case studies can be derived from rural development programs .

Customised management development programs can be developed to train corporate executives in rural India and office bearers of governmental programs.

Rural poverty can be reduced by half by 2015 through strategic interventions. This will create huge markets for products and services. The interventions themselves will result in opportunities for private initiatives in education, health-care infrastructure, e-governance, trade and services. B-Schools can contribute and add to knowledge about managing such initiatives in a new and challenging environment

## THOUGHTS ON 'LEADERSHIP' from William Bissell, Managing Director, Fabindia

*Report by Shruti Fotedar\**

*Fabindia is a private sector, commercially oriented, successful and growing developer, retailer and exporter of artisanal products made in rural India. The company is developing a supply chain model which harmonises with many of our economic aspirations. Fabindia Managing Director Mr. William Bissell shared thoughts on 'Leadership' with students and some participants from an ongoing Executive Development Program for CEO's of artisanal companies in rural areas.*



*William Bissell : "Never ever be rude or condescending."*

Mr Bissell's interactive style encouraged the audience to join him in an exploratory voyage to discover the qualities which mark true leaders. He asked the audience to name some of the characteristics which contributed to outstanding leadership. The suggestions made by the audience were noted on the whiteboard and then individually examined in depth with some prompting and guidance by Mr. Bissell. He noted that not all great leaders possessed these qualities and that he was not now considering the traits of saintly leaders like Mahatma Gandhi but of political leaders, heads of organizations and corporations.

The audience considered the relevance of 'vision' amongst leadership traits. Where does 'vision' come from? An opinion was that it came from 'needs'. He then took the discussion forward to consider the 'situations' which create 'needs' and this led to the thought that for a leader it was essential to possess the knack of finding 'opportunities' which may be hidden in 'situations'. A long time ago, when Mr Bissell was a young student holidaying at an Australian beach, a surfer told him that to be a great surfer one needs the knack of being at the right place at the right time : to ride high on a wave one must be at the spot when and where the wave comes. The remark made a lasting impression on the young man.

Other leadership qualities considered at the session included 'conviction', 'determination' and 'charisma'. It was felt that these qualities emanated from the strong 'beliefs' of the leader. For example Dhirubhai Ambani strongly believed that creating value for the burgeoning Indian middleclass by making them shareholders in the equity of Reliance would greatly strengthen the company. Many of his actions bore the stamp of 'conviction' and 'determination' arising from strong 'beliefs'. Mr Bissell suggested that even without strong beliefs a decent job could be managed but a strong belief gave the venture a rocket propulsion He illustrated this by mentioning a recently released movie 'Jab we met' in which the storyline had been contributed by representatives of the audience. The box

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office performance of this movie was far below that of another recently released movie 'Chak De' which was based on a strong belief of one story writer in the power of conviction, motivation and teamwork.

Mr Bissell then led the audience to consider that a strong 'belief' was not enough; it had to be tempered with 'wisdom' and 'experience', so that it was sustainable. He gave examples of corporate leaders following 'beliefs' which were not backed by 'wisdom' and 'experience' and the result was unfortunate. Capt GR Gopinath President of Air Deccan believed that India had a potential market of a billion passengers for low cost airlines. To this, Mr Naresh Goyal, Chairman of Jet Airways had responded that based on his knowledge and experience, he believed that fixed costs took up 93% of the revenues of an airline, so there was limited scope for low cost airlines. Apparently, Capt Gopinath's belief was not based on 'wisdom' and 'experience' and Air Deccan suffered. Mr Goyal's belief was based on 'wisdom' and 'experience' and Jet Airways prospered.

There was discussion about the manners and behavior of great leaders. The view emerged that polite manners and empathy are like lubricants which facilitate the working of machines. "A leader should never ever be rude, impolite or condescending." Mr Bissell gave an example from personal experience which

demonstrated that polite behavior can also provide profound business benefits. "What goes around, comes around".

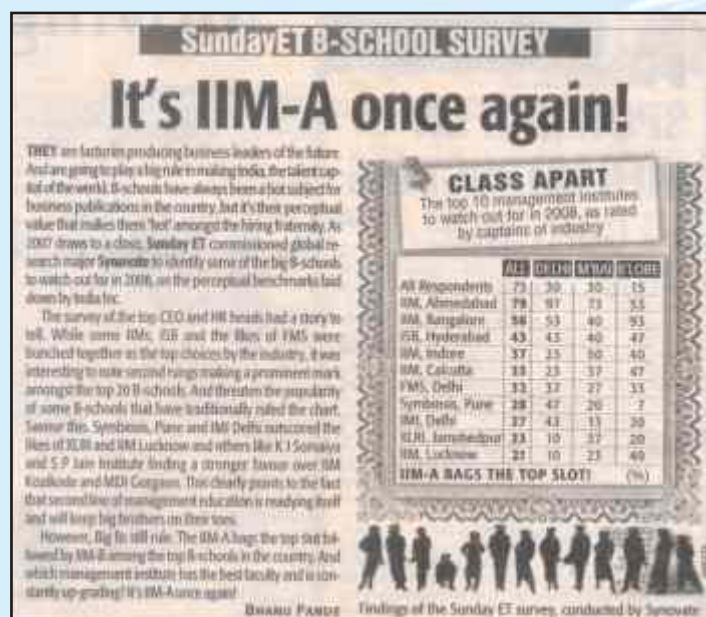
While good leaders are perceived as impulsive and always on the move, 'patience' was perceived as another vital ingredient of leadership. It helps to wait for the right time to do something. It was pointed out that 'patience' is possible only if there is staying power and stamina. A leader may recognize that he needs to wait for the right moment to strike but much depends on his ability to last through the waiting period. Stamina is the source of patience.

The discussion then moved to consideration of ethical values and consistent behavior as leadership traits, not because the leader needed to be 'saintly' or 'good' but because followers needed a bearing like a compass for furnishing a sense of direction. It is because of this that people gravitate towards leaders who are ethical and consistent. The Chairman of Wipro, Azim Premji for instance is described as a self-effacing, simple living leader who communicates trust. "Great leaders communicate the value for which they stand and not of their personal promotion." wrote Jim Collins in *Built on Trust*.

The audience was delighted with the presentation and particularly impressed by Mr Bissell's frank and effortless style of cracking stereotypes associated with leadership.

## B-Schools : India Inc's Preferences

*An Economic Times report (30.12.'07) on "B-Schools to watch in 2008," collected perceptions of CEOs and HR heads of India Inc's hiring fraternity. It reconfirms the standing of the stalwarts, and also mentions the rising stars :*



## EMPEZAR '07 : The entrepreneurship conclave

*Report by Medha Bahl & Adnan.M. Attarwala\**

*Empezar '07 was a first time ever initiative by IMI students to develop the entrepreneurial spirit among budding managers. It was designed to enable students to capture lessons learnt through experience by successful entrepreneurs as well as to obtain practical expert guidance on getting a business idea off the ground.*

The two day conclave was inaugurated by the Director, Dr. C.S.Venkata Ratnam on 24<sup>th</sup> November, 2007. Dr. Surinder Kapur, Chairman and Managing Director, Sona Koyo Steering Limited and founder of the Sona Group was the chief guest. Ms Surbhi Charla, an alumnus of IMI and presently the COO of Stic Pens, also spoke at the inaugural session.

In his keynote address, Dr Kapur explained his own views about entrepreneurship citing examples from personal experience. In 1988 he had left a corporate job to start his own business. That is when he first appreciated that the ability to take risks is fundamental to entrepreneurship. While developing his business he used the approach of creating mutually beneficial partnerships. Along the way he learnt other important things about entrepreneurship. These included: entrepreneurship is about creating value, it involves hard work, having a good idea is not enough there needs to be differentiation and it should be commercially and technically implementable. Entrepreneurship also involves continuous transformation to relate to a changing environment. While closing the session he said "Always remember that entrepreneurship is not about money but about believing in yourself and staying passionately focused. Money is the result of entrepreneurship and let it remain a result".



*Dr. Surinder Kapur "For this country to become truly great, we need to encourage entrepreneurs."*

After the inauguration, there was a Panel Discussion 'Straight from the horses' mouth'. Mr. Hitesh Oberoi, Director and COO, Naukri.com, Mr. Sandeep Manudhane, Founder and CEO, PT India, Mr Rakesh Sharma, CEO, Opelin and Prof. Rajat Kathuria, Registrar IMI, shared experiences. Each panel member highlighted different entrepreneurial traits thus emphasizing the multifaceted nature of this concept. Mr. Oberoi spoke about luck and timing, Mr. Manudhane about inspiration and motivation. Mr. Sharma spoke about attitude and passion as well as about determination, fortitude and resilience, he said, "Without failures, you may know what to do but you may not know what not to do. Elaborating this Mr. Manudhane said, "Success can be a lousy teacher". Mr. Rakesh Sharma said, "If you want to do something new, sometimes it may be better to follow the advice of Sun Tzu (the ancient Chinese guru on the Art of War) to burn your ship,

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because if you have a softer fall back option you tend to turn back to it. An entrepreneur needs to believe in what she or he is doing, carry the core team and maintain a positive attitude.” There were then discussions about angel investors and venture capitalists, and how they decide which projects to fund.

Then followed *YOJNA* - The Business Plan Contest : 125 business plans were received, of which, after tough screening, plans from 5 teams were selected. The finalist teams were :

1. IDEATORS from IIFT, Delhi
2. CARBOGEN from IIM, Ahmedabad
3. PRAGMATIC from K.J.SOMAIYA, Mumbai
4. STROKES from IIM, Indore
5. GALLERIA from IIM, Bangalore

These five teams were invited to IMI to present their business plans. The contest was evaluated by a panel of judges comprising: Mr.K.K.Roy (Executive Consultant, FITT, IIT Delhi), Mr.Jatin Sharma (CEO, Kritikal Solutions Pvt Ltd), Mr. Ranjit Shastri (Director & CEO, Psi Inc.) and Mr. Ramesh Khulbe (Asst General Manager, State Bank of Patiala). After the presentations the teams were asked questions by the judges and by the audience. The judgment criteria included: the business idea, market analyses and the style of presentation. Team Strokes from IIM, Indore won the first prize and Team Pragmatic from K.J.SOMAIYA won the runners-up prize.

The event served to develop insights into business plan making. The teams gained insights to improve their plans further through feedback from the judges and the audience.

That night a DJ session sponsored by Tata Indicom got the participants relaxed and ready for the next day.

The second day witnessed “*Start up!* - A workshop on the How To's of setting up one's own business”. This covered Business Idea Generation, Opportunity Evaluation, Sources of Funding as well as Legal and Taxation issues. This workshop was conducted by Mr. Ajay Shastri from the National Entrepreneurship Network, in an interactive manner. Not only did Mr Shastri organize group exercises but also got participants to undertake tasks and make presentations. The exercises helped develop the skill of generating a business idea and of converting it into a feasibility report.

The next session dealt with approaching sources of funding. It was conducted in the format of a role-playing workshop. The two top teams from the Business Plan Contest were each given the opportunity to make a mock presentation for funding before a panel comprising a venture capitalist, a banker and an experienced entrepreneur. This was a learning session on how to approach funding agencies. The business plans were assessed, shortcomings identified and improvements suggested to make the plans more interesting for funding. The session provided participants with the view point of financiers.

The last session dealt with the tax implications of starting a new business led by Mr. R.N. Lakhotia as well as with intrapreneurship led Mr Naveen Coomar (CEO, Scan Consulting).

Empezar '07 was a veritable success. Nearly 100 students attended the various sessions. Most of them had come with only vague notions about how to go about their “dream venture ideas”. After the conclave, they left with a clearer roadmap. The conclave also encouraged the IMI management and faculty to consider a deeper involvement with entrepreneurship development.



## The Second Employment Summit : Action Agenda for the XI Plan :

*IMI was the Knowledge Partner at the Second Employment Summit organized by Confederation of Indian Industry and the Planning Commission on 22 November 2007. The summit was inaugurated by Dr Montek Singh Ahluwalia and Mr. Oscar Fernandes delivered the valedictory address. 40 experts presented information concerning 21 sectors and another 120 professionals shared ideas*

Five years ago the major economic issues were jobs, poverty and jobless growth. Today they are skills, inequality and inclusive growth. India is blessed with the world's third largest pool of scientific manpower. But with a steady growth of over 8 per cent the country is facing a serious talent crunch. 12.8 million persons enter the labor force every year, but the country has capacity to train only 2.5 million. Since the very poor can not be unemployed, they are underemployed as working poor. In the age group 18-21, only 5% have vocational skills; the XI Plan proposes to raise this to 60% (S Korea is at 95%). Over half our educated people are unemployable and require further training. 90% of new jobs require mere functional literacy and basic vocational skills which can be imparted in about six months. There is urgent need of a road map.

### The Road Map

Deliberations at the summit resulted in many useful suggestions, including:

1. Government to constitute a Skills Development Mission to identify the skills deficit and suggest initiatives for budgetary allocation as well as infrastructure and support mechanisms.
2. Deregulate primary education and skills training. Allow private initiative, public-private partnerships and networking to bridge the skills deficit.
3. Move from control to facilitation and establish third party autonomous skills certification with accreditation bodies.
4. Encourage branding and certification of competencies in emerging sectors. There is need for global certification of skills to enable Indians tap opportunities abroad.
5. De-link training delivery from financing. Introduce a scheme of Skills Development Vouchers and funding for training providers.
6. CII and IMI to conduct skills mapping studies of states and rank them in terms of skills development
7. Collect expert information on the changing nature of jobs, skill gap analysis and assessment of training providers
8. Leverage existing schemes for disadvantaged groups and draw from success stories, Also document and disseminate information about initiatives of various organizations and check their replicability and scalability.
9. Leverage the numerous schemes with government agencies for augmenting livelihood and basic skills to people without schooling and transform special employment schemes to provide functional literacy and basic skills.
10. Revisit the Public Private Partnership initiative, particularly with respect to modernizing IITs.
11. Encourage creation of proactive labor markets which identify skills gaps, link trainees with training providers and job seekers with job providers.

A unanimous conclusion at the Summit was that the road map should include clear and detailed targets, timetables and budgets; in fact it should be an actionable Business Plan.

## WHAT HAPPENS AT THE WTO ? Insights from the Commerce Secretary

*Report by Manisha Kaur and Anubhav Malhotra\**

*The WTO deals with the rules of trade so that it flows smoothly, freely and fairly. Its objectives include raising living standards, employment, sustainable development, environmental protection and ensuring that developing countries secure a fair share of trading benefits.*

*Commerce Secretary G K Pillai explained the way the WTO works to IMI students and faculty on 3<sup>rd</sup> November 2007. Later he answered questions for Interface.*



*Commerce Secretary G.K.Pillai :  
"Developing countries are increasingly making their presence felt at the WTO."*

### What does the WTO do ?

Following the Second World War, negotiations began to create an International Trade Organization as a specialized agency of the United Nations to handle the trade side of international economic cooperation. The draft ITO charter went beyond world trade disciplines, to include rules on employment, commodity agreements, restrictive business practices, international investment and services. Simultaneously, 15 countries had begun talks with the objective of giving an early boost to trade liberalization and to correct protectionist trade measures. The negotiations of this group of countries (which later expanded to 23 countries) resulted in a package of trade rules and tariff concessions culminating in the General Agreement on Tariffs and Trade. The 23 countries which signed the deal were also part of the Group negotiating the ITO Charter. The ITO, however, was never created on account of the United States not sending it to their Congress for ratification.

From 1948 to 1994, GATT provided the rules for much of world trade and helped to establish a multilateral trading system that became increasingly liberal through rounds of negotiations. In the early 1980s, a need was felt for a complete overhaul of the multilateral trading system. This led to the Uruguay Round from 1986 to 1994 and finally to the creation of the World Trade Organization. While GATT covered mainly trade in goods, the WTO and its agreements also covered trade in services and in intellectual property.

The WTO now has 151 members accounting for over 97% of world trade. Any state or customs territory having full autonomy in the conduct of its trade policies can become a member of the WTO, but all WTO members must agree to the terms. This is done through a working party of WTO members and through a process of bilateral negotiations with member countries individually. This can be a long and complicated process. For example it took China 15 years to become a member of the WTO and it had to liberalize its trade regime and offer a more predictable environment for trade and foreign investment. Russia has still to negotiate individually with all the WTO's member countries to get membership. 28 other countries are in the queue.

### How does the WTO really work ?

The WTO is a negotiating forum for members to deal with the rules of trade. At its heart are the WTO agreements, which were negotiated and signed by the bulk of the world's trading nations and provide the ground rules for international trade.

The WTO works towards achieving its objectives by : administering trade agreements; acting as a forum for trade negotiations; settling trade disputes; reviewing national trade policies; assisting developing countries in trade policy issues through technical assistance and capacity building by cooperating with other international organizations.

*\*Manisha Kaur and Anubhav Malhotra are students of PGDM 1*

Decisions in the WTO are normally taken by consensus. The rules are enforced by the members themselves under agreed procedures that they negotiated, including the possibility of trade sanctions. These sanctions are imposed by member countries and authorized by the membership as a whole.

The countries make decisions through councils and committees of WTO members. Since decisions are made by consensus, without voting, informal consultations within the WTO play a vital role. For example, the Chairperson of a Negotiating Group may attempt to arrive at a compromise by holding consultations with delegations individually or in groups.

Also countries may group together on the basis of common interests or negotiating positions to increase their bargaining power. This is increasingly happening in the WTO. In some subjects such as agriculture virtually all countries are members of at least one coalition and in many cases of several coalitions. An example is the G-20 which is a group of developing countries with a focus on agriculture. Another example is the Cairns Group which argues for agricultural trade liberalization. There are also area-wise groups like the African Group, the Cotton Four and the African, Caribbean and Pacific Groups. Negotiations are first carried out within groups and then with other groups and subsequently with the broader membership.

At group meetings positions are formulated which are then discussed with other groups before being taken up at formal meetings and converted into WTO decisions.

Incidentally, the success of getting issues related to bringing agriculture related matters to the forefront of the WTO's agenda is mainly because of group dynamics. The group of agricultural exporting countries pushed for its inclusion in the Uruguay Round.

Do all countries get equal opportunities to shape international trade policies?

The WTO is run by its member governments and decisions are made by the members as a whole. This is done either by Ministers or by Ambassadors / delegates. Decisions are taken by consensus. Given that there are 151 members, this can be a slow process. But the advantage is that decisions made this way through consensus are more acceptable to all members.

However, all members do not enjoy the same bargaining power during the negotiations, so there are coalitions which allow

poorer countries to group together and get themselves heard. The richer countries can station large teams of negotiators and lawyers in Geneva.

With the unequal financial standing of nations and different negotiation team sizes, not all members may be able to take advantage of the equality of opportunity afforded by the WTO. The Swiss Government provides subsidized office space for delegations from least-developed countries. Financial support is also provided by some WTO members to delegates from least developed countries to help them attend WTO Ministerial Conferences. The WTO holds regular training sessions on trade policy in Geneva and in other countries especially for developing countries. The WTO Secretariat provides technical assistance, including training, for developing countries.

WTO agreements cover many trade issues. Differing interpretations of these agreements are resolved under the Dispute Settlement Mechanism. Developing countries have access to a special legal service provided by the WTO Secretariat. There is also an Advisory Centre on WTO Law which provides legal advice free-of-cost to all least developed countries.

Often issues require research based studies. There are agencies which provide support to members who cannot fund such research. For example, there is the South Centre, an intergovernmental organization of developing countries which provides assistance to developing countries through research and policy analysis.

Despite the disadvantages vis-à-vis developed countries in terms of negotiating power, financial strength, research and other capabilities, developing countries are increasingly making their presence felt. Developing country groups have been aggressively bargaining for differential treatment in agriculture and lower reduction commitments in non-agricultural market access. Also the subsidies being paid by rich countries to their farmers are being highlighted at WTO deliberations. In services, developing countries have emphasized that developed countries need to provide clear signals of market openings in sectors and modes of interest to developing countries, particularly in cross border services and movement of natural persons.

The Doha Round is the Development Round and developing country groupings are making sure that the development dimension is not lost sight of in the ongoing negotiations.

## ACHIEVER'S STORY.

### Subodh Tagare PGP IM (1992-93)



*Subodh Tagare completed the Post Graduate Program in International Management from IMI in April 1993. Today he is the Marketing Director for India, Srilanka and Bangladesh of a high growth technology company, American Power Conversion a division of Schneider Electric. At APC Subodh develops and implements marketing and brand building programs.*

Fairly early in his working life Subodh had chosen the area in which he wanted to work: the area included marketing, communication and brand promotion. He also decided he would continually learn and build his skills in this area. In fact throughout his career he took time off to return to academics from time to time.

Soon after obtaining a degree in Commerce from Osmania University in 1989 Subodh started work with an advertising agency, Enterprise Advertising in Mumbai. His work as Accounts Executive involved designing communication programs. The experience led him to understand the importance of soft skills for being successful in the kind of career he was seeking. He joined the Post Graduate Program in International Management at IMI in April '92 with the aim of obtaining the requisite general management qualifications to promote his career. He credits IMI with widening his perspectives and giving him the framework to excel.

Through IMI's campus placement system Subodh was selected by ITC as the company's Area Sales Manager to drive sales of edible oil brands in Bihar. He did this well, mainly by expanding the retail network, closer monitoring, strong motivation and imaginative incentive schemes. He also says that his success was due to his ability to motivate people teams as well as channel networks. Sales shot up from an average of 18 tonnes per month in '93 to 30 tonnes per month by '94.

After a couple of years with ITC Subodh felt the urge to return to academics. He joined IIM-Ahmedabad to pursue a doctoral program. He was also involved there as an Academic Associate, in updating the core FPM/PhD course on "Behavioural Sciences Applications in Marketing" and in auditing the course on "Quantitative Models in Marketing" as well as providing research and teaching assistance in the marketing area, particularly in two electives: "Advertising and Sales Promotion Management" and "Consumer Behaviour".

After a year at IIM-A Subodh began to have doubts about whether he was sufficiently interested in an academic career to enable him compete the PhD. He felt his interests were too varied to focus on any one thing. Also he felt the urge to be back in the business world at the centre of action in hard-core marketing. He rejoined the advertising industry and stayed with it for four years: first at Enterprise Advertising which had provided his initiation into advertising and then, with greater responsibilities, at Chaitra Leo Brunnet (CLB). During this period, as an Associate Account Director, amongst other programs, he led the creation of the StanChart credit cards advertising campaign which won a national award in 1998. He built and led the accounts team which grew the Bangalore office sales from Rs 25 million in '98 to Rs 130 million in '99 and further to Rs 300 million in '00. He also put into practice the idea that an advertising agency should go beyond communication and must deeply understand and get involved in the client's business issues; thus one of his significant contributions was to help a major client Madura Coats - improve the profitability of their threads business by identifying new market opportunities.

One of CLB's major clients, with whom Subodh was deeply involved, was India's leading accounting software provider Tally. In fact he had been single-handedly responsible for repositioning Tally as a "Power of Simplicity" and had developed a number of communication programs around this positioning. These included the "Better Business

with Tally” and “TallyClinics” programs to sustain loyalty, and tie-ups with IBM and APC together with e-banking with HDFC Bank to launch TallyVault as well as designing a publishing alliance with Tata McGraw Hill to drive adoption by prospects. He had also spearheaded Tally's special extended enterprise offer to small and medium-sized firms (SMEs) considering ERP and large enterprise remotes.

As a consequence of this deep interaction Tally Solutions invited Subodh to join up as General Manager-Marketing and grow its already dominant brand in a potentially larger market. He joined Tally in April '00. His responsibilities included identifying opportunities for revenue growth, for strategic alliances and for developing marketing communications and channel strategies as well as managing cross-functional issues. He grew the business 47% between '00 and '01 through three key initiatives: expansion of sales infrastructure, opening of new markets and implementation of new service and solutions strategies.

However Subodh felt Tally was not keeping pace with his ideas. He found that even programs which had been discussed and accepted were often not implemented. He felt frustrated because market opportunities were being lost. He decided to take on different challenges and ventured off the beaten track. In July '02 he boot-strapped a start-up company Octopus Systems in the IT enabled services sector. This company delivered customized solutions to integrate information from external sources with corporate information systems. His focus was on identifying opportunities, mobilising resources and business development. However the company soon began to show symptoms of cash flow problems driven by the IT investment downturn of 2002. He had then been with Octopus Systems for a year as Director.

Subodh always enjoyed thinking up fresh ideas and looking for challenges, so he could not decline when American Power Conversion, Bangalore, offered him the job of establishing their

brand and taking it forward in the highly fragmented power protection market in India. He joined APC in July '03 as Marketing Director for India, Sri Lanka and Bangla Desh,

Subodh drove the transition of the APC brand from being a leading UPS company to becoming an enterprise vendor. He implemented marketing and campaign dashboards for monitoring performance. APC finally overtook Emerson in unaided awareness in the enterprise space in '05. In fact APC performed well in unaided brand awareness and top-of-mind awareness. He promoted APC as the only integrated power, cooling and management solutions provider for critical applications across the entire spectrum of users and was instrumental in giving a structure to the highly unorganized power protection industry in India. He developed programs to generate high quality leads and customer access while ensuring sustainable impact through brand programs. Subodh implemented the most successful demand generation program in APC tracking at 65% of all opportunities and 47% of won opportunities in '07 (up from 39% of all opportunities and 20% of won opportunities in '06); this translated into revenue growth of 36% in '04, 67% in '05 and 49% in '06, resulting in correspondingly increased market share. He, and his rather small team, showed good performance in APC worldwide. His plan for the immediate future is to ensure that APC's achievements in India are set as performance benchmarks for other regions and his team becomes a showcase.

From being an Accounts Executive in Enterprise Advertising in 1989 to being the Marketing Director of APC for India, Srilanka and Bangladesh, Subodh enjoys his work which matches his inclinations. In his own words, “its good fun”. By the way, while he is not at work, Subodh loves to travel with his wife, reads all kinds of books and treks even to places like the base camp of Mount Kanchanchunga.



## TRAINING PROGRAMS (October - December 2007)

### Advanced Management Program in Banking & Finance

#### *Fundamentals of Banking & Business Laws*

September 29 - October 7, 2007

Lead Faculty : Prof O.P. Arora

Fabindia

#### *Networking*

October 16, 2007

Lead Faculty : Mr. V. Vancheshwar

### Advanced Management Program in Banking & Finance

#### *Financial Management*

October 20 - 28, 2007

Lead Faculty : Prof N.L. Ahuja

### All India Artisans and Craftworkers Association

#### *Module 9 : Quality Control*

October 23 -27, 2007

Lead Faculty : Prof H. Paul

Fabindia

#### *Employment Laws (Basic)*

October 26 - 27, 2007.

Lead Faculty : Mr Michael Dias

Indian Oil Corporation

#### *Program on Managing Institutional Business*

October 29 - November 2, 2007

Lead Faculty : Prof. G Somayajulu

### Advanced Management Program in Banking & Finance

#### *Data Warehousing & MIS in Banking*

November 3 -11, 2007

Lead Faculty : Prof Prerna Lal

New Holland Tractors

#### *Management Development Program*

November 5 - 6, 2007

Lead Faculty : Prof. Anup K Singh

MMTC

#### *General Management Principles & Practices for Management Trainees*

November 5 - 6, 2007

Lead Faculty : Prof Bhupen Srivastava & Prof Mamta Mohapatra

Fabindia

#### *HR Policies*

November 5 - 7, 2007, Bangalore

Lead Faculty : Prof A. Bhatt

|  |   |
|--|---|
| Tata Power<br><i>Leadership Development for Trade Union Leaders</i><br>November 13 - 14, 2007. Mumbai<br>Lead Faculty: Prof Bhupen Srivastava & Prof Mamta Mohapatra | Fabindia<br><i>Tax Laws (Basic)</i><br>December 7, 2007.<br>Lead Faculty: Mr A Vohra  |
| Advanced Management Program in Banking & Finance<br><i>Strategic Change Management</i><br>November 17 - 25, 2007<br>Lead Faculty: Prof C.S. Venkata Ratnam           | Advanced Management Program in Banking & Finance<br><i>Quantitative Techniques</i><br>December 8 - 30, 2007<br>Lead Faculty: Prof Arvind Chaturvedi                 |
| NTPC<br><i>Capsule course in General Management (I)</i><br>November 19 - December 1, 2007<br>Lead Faculty: Prof SK Chowdhury & Prof Somayajulu Garimella             | Advanced Management Program in Banking & Finance<br><i>Ethical Leadership &amp; Corporate Governance</i><br>December 9 - 29, 2007<br>Lead Faculty: Prof K. Sankaran |
| All India Artisans and Craftworkers Association<br><i>Module 10: Introduction to marketing</i><br>November 20 - 23, 2007<br>Lead Faculty: Prof S.R. Singhvi          | Hero Honda Motors<br><i>Marketing Orientation for Sales &amp; Service Excellence (III)</i><br>December 10 - 13, 2007. Pune<br>Lead Faculty: Prof P C Mehra          |
| Spencer's Retail<br><i>Retail Marketing Management</i><br>November 26 - 29, 2007<br>Lead Faculty: Prof PC Mehra  | NTPC<br><i>Capsule course in General Management (II)</i><br>December 10 - 22, 2007<br>Lead Faculty: Prof S K Chowdhury & Prof Somayajulu Garimella                  |
| Fabindia<br><i>Laws and Business (Basic)</i><br>November 28, 2007.<br>Lead Faculty: Mr Michael Dias  | Fabindia<br><i>Analysis of cash flows</i><br>December 14 - 15, 2007<br>Lead Faculty: Prof N L Ahuja   |
| Bea Systems India<br><i>Workshop on Emotional Intelligence</i><br>November 29 - 30, 2007<br>Lead Faculty: Prof. Anup Singh   | All India Artisans and Craftworkers Association<br><i>Module 11: Advanced Managerial Skills</i><br>December 17 - 21, 2007<br>Lead Faculty: Prof N.C. Patnaik        |
| Engineers India<br><i>Managing for Global Competitiveness</i><br>November 30, 2007 - January 06, 2008<br>Lead Faculty: Prof. N C Patnaik                             | NTPC<br><i>Capsule course in General Management (E5 to E6 level)</i><br>December 19 - 01, 2007<br>Lead Faculty: Prof. S K Chaudhury & Prof Somayajulu Garimella     |
| RPG Cellucom<br><i>Speciality Retail Marketing</i><br>December 3 - 6, 2007<br>Lead Faculty: Prof. P C Mehra  | Hindustan Zinc Ltd<br><i>Presentation Skills</i><br>December 26-27 and 28-29.<br>Lead Faculty: Prof V. Chandra  |
| Hyundai Motors India<br><i>Business &amp; Labour Environment</i><br>December 5 - 6, 2007. Chennai<br>Lead Faculty: Prof Anup Singh                                   | NHPC<br><i>Managing People</i><br>December 26 - 28, 2007<br>Lead Faculty: Dr. C S Venkata Ratnam  |
| Power HR Forum<br><i>Strategic Organizational Change and Renewal</i><br>December 6 - 8, 2007<br>Lead Faculty: Prof Anup Singh  |   |

## FACULTY NEWS : Publications, Lectures and Other Activities

### Arindam Banik and Pradip K Bhaumik

#### *Conference/Seminar Papers*

*Are Poverty Reduction Programs Less Effective in Troubled States? An Empirical Household Level Investigation in Rural India*, paper presented at the All China Economics International Conference. City University of Hong Kong, December 12-14, 2007.

*Supporting Poor but Skilled Artisans by making assets available to them: An Empirical Investigation in Rural India*, paper presented at a seminar entitled, Strategies to Reduce Rural Poverty, organized by International Management Institute, New Delhi, December 1, 2007.

*Foreign Capital Inflows to India and China: A Tale of Two Economies*, paper presented at the international Conference: Globalisation of Chinese and Indian Enterprises organized by the Department of Humanities and Social Sciences, Indian Institute of Technology, Mumbai. November 2-3, 2007.

#### *Popular/ newspaper publications*

"Poverty Reduction - Missing the Wood for the Trees", *The Hindu Business Line*, December 11, 2007.

"Toys: Time for a better game plan", *The Hindu Business Line*, October 16, 2007.

### Arindam Banik

#### *Public and professional service*

Chaired a session on *Social Economics* at the All China Economics International Conference organized by City University of Hong Kong, Hong Kong SAR, held on December 12-14, 2007.

Chaired a session on *China, India and Europe* at the All China Economics International Conference organized by City University of Hong Kong, Hong Kong SAR, held on December 12-14, 2007.

Discussant of papers entitled, "International Economic Organizations in Era of Globalization: Co-operation or Competition" authored by Sergei Sutyurin and Nikita Lomagin ; "International Collaborations" authored by Pinijsorn Luechaikajohnpan, Arghya Ghosh and Hodaka Morita; and " Globalization and Governance: A Case Study of Village Level Institutions in India" authored by Dhanmanjiri Sathe at the All China Economics International Conference organized by City University of Hong Kong, Hong Kong SAR, December 12-14, 2007.

### C.S. Venkata Ratnam

#### *Books*

Edited "*HR Promise and Performance*" jointly with Mr Sharad Patil. Published jointly by IMI and Employers Federation of India, Mumbai.

#### *Papers in Refereed Journals*

"*Labour Reforms in China and India: Reform Aggression (China) versus Reform Allergy (India)!*". With Dr Shyam Sundar. *The Indian Journal of Labour Economics*. 50 (3) July-Sept 2007, pp.497-512.

"*Conditions of Work in the Unorganised Sector*". With Prof C P Thakur. *Indian Journal of Labour Economics*, 50(4) Oct - Dec, 2007. pp 749-764.

***Public and professional service***

Delivered the key note address on 'Conditions of Work in the Unorganised Sector' at the 49<sup>th</sup> Annual Conference of the Indian Society of Labor Economics organized by Centre for Economics and Social Studies, Hyderabad. December 15 - 17, 2007.

Delivered the theme address at the inaugural session and summed up proceedings at the valedictory session of the HR Summit organized by Employers Federation of India in association with International Labour Organization (with IMI as knowledge partner). Mumbai. December 13 -14, 2007.

Participated in the CEO's Panel on Building the Talent Engine on: "Competing in the Era of Globalisation" at the 38th Annual Conference of the Indian Society at Satyam School of Leadership, Hyderabad. December 8, 2007.

Chief resource person for the Asian Productivity Forum on Labour Management Cooperation organized by the Asian Productivity Organization. Colombo, Sri Lanka. December 5 - 7, 2007.

Delivered the theme address at the inaugural session and summed up proceedings at the valedictory session of the Second Employment Summit organized by Confederation of Indian Industry and Planning Commission (with IMI as knowledge partner). New Delhi. November 22, 2007.

Made a presentation in a panel discussion on 'Labour Reforms without Tears' organized by Associated Chamber of Commerce and Industry and the Friedrich Ebert Stiftung. New Delhi. November 22, 2007.

Chaired a technical session at the international conference on Global Production Networks organized by Institute for Human Development in association with International Institute for Labor Studies, ILO, Geneva, Indian Council for Social Science Research and Indian Institute for Socio - Economic Change. Bangalore. November 22, 2007.

Delivered the key note address on 'Inspiring People for Organisational Excellence' at the national seminar and annual conference of the Orissa Chapter of the National Institute of Personnel Management. Rourkela. November 11, 2007.

Delivered the valedictory address at the Diploma awarding ceremony for the Advance Diploma on Human Resource Planning and Development conducted by the Institute for Applied Manpower Research, New Delhi. October 31, 2007.

Addressed delegates of the 27<sup>th</sup> Employment Relations Conference on Strategic IR and Innovative HR for Improving

Enterprise Competitiveness organized by the Council of Indian Employers and All India Employers Association in collaboration with Employers Federation of South India and International Labour Organisation. Chennai. October 12 - 13 2007.

**Debrata Das**

(Research Assistant)

***Papers in Refereed Journals***

"Importance of Metro Rail in the public transport network: A Case Study of Delhi. With Prof Subhash Dutta and Prof Sharfuddin Ahmed. Indian Journal of Transport Management. Vol 31, No 3 (pp223-236) July to September, 2007

**Himadri Das**

***Public and professional service***

Invited by Ernst & Young to speak on "Derivatives and Risk" to their key clients at the Risk Management Leadership Forum. India International Center. New Delhi. 31 October, 2007

**K. Sankaran**

***Public and professional service***

Conducted a seminar on *Organizations of the Future* for the Power HR Forum at the Power Management Institute, NOIDA. December 6, 2007.

Chaired a session on "Research in Human Values" at the workshop on Human Values based on Indian Ethos, Insights, Experiences, Practices and Approaches organized by SPANDAN in association with IMI. New Delhi. October 06, 2007.

**Mamta Mohapatra**

***Public and professional service***

Lectured to Ph.D students on Human Resources Management at the All India Management Association. New Delhi. October 31 - November 1, 2007

**N.C. Patnaik**

***Consultancy***

Evaluation of loan schemes for the National Backward Classes Financial & Development Corporation completed in December 2007.

***Public and professional service***

Designed and conducted a seminar on "Strategies to Reduce Rural Poverty" at IMI. December 1, 2007

**Rajat Kathuria****Conference/Seminar Papers**

*"Telecom Regulation: Further Steps"*. Paper presented at the Seminar "Slumbering Shepherds: The State of Regulatory Institutions in India."

Rajiv Gandhi Institute for Contemporary Studies. New Delhi. September 27, 2007.

**Chapter in Book**

*Telecom Liberalisation: A Case Study of India's Experience with Regulation'*. Chapter in "Regulation, Institutions and the Law". Editor: Jaivir Singh. (Pp 195-217) Social Science Press. December 2007

**Conference/Seminar Papers**

*Impact of Trade & Services on Poverty*, paper presented at a symposium on Strategies to Reduce Rural Poverty at IMI on December 1, 2007

**Public and professional service**

Evaluation of Excellence Awards for public sector management 2006 - 2007 for the Standing Committee on Public Enterprises (SCOPE). December 2007

**Richa Awasthy****Conference/Seminar Papers**

*Organizational Structure of MNCs Operating in India*, paper presented in the international conference: Challenges in Organizing and Managing in Rapidly Emerging Economies: Learning to Organize in the Global World. Management Development Institute, Gurgaon, December 9-12, 2007

**V. Chandra****Public and Professional Service/Credits**

'Cross-cultural Communications". Presentation at a workshop on Communications at IMT, Ghaziabad on 18 December, 2007

Completed Thomas International Programs in Personality Profiling and Tests for selection and training, in November 2007

**Vidhu Shekhar Jha and Himanshu Joshi****Paper published in Refereed Journal**

*"Transforming Knowledge Assets for Creating a Learning Organization: A Conceptual Approach for Moving Towards Business Excellence"*.

The International Journal of Business Research, California, US Vol VII, Number 3, 2007.

**Conference/Seminar Papers**

*"Issue of Flexibility and its Integration with Business Excellence"*. Paper presented by Himanshu Joshi at an international conference at UP Technical University, Noida Campus, Published in the conference proceedings. November 17, 2007

*"Relevance of Total Quality Management or Business Excellence Strategy Implementation for Enterprise Resource Planning. A Conceptual Study"*. Paper presented by Vidhu Shekhar Jha at the International Conference on Information Quality organized by the Centre for Policy and Technology at MIT, Cambridge, USA. Published in the MIT-ICIQ 2007 conference proceedings. November 9 - 11, 2007.

**Vidhu Shekhar Jha****Public and professional Service**

Chaired a Technical Session for GLOGIFT-2007 at an international conference at UP Technical University, Noida Campus. NOIDA. 17 November, 2007.

**Congratulations !**

Professor Narender Ahuja

*The London Business School's Aditya Birla India Centre held a case study competition. Over a 100 academics from leading business schools in India had submitted proposals for case studies, The case study on the State Bank of India prepared by Professor Narender Ahuja was selected for an award.*

## GUEST LECTURES

*Dr Jean Pierre Lehmann, Professor of International Political Economy & Founding Director of the Evian Group at IMD, Lausanne. "The changing global economic paradigm : what does this mean for future Indian business leaders." October 10, 2007.*

*Mr. Gopal K. Pillai, Secretary Commerce, Ministry of Commerce and Industry, Government. of India. "WTO-Recent Developments". November 3, 2007*

*Mr Leon Louw, Chief Economist of Free Market Foundation of South Africa, Johannesburg. "Habits Of Highly Effective Countries -Lessons For India". November 7, 2007.*

*Mr. William Bissell, Managing Director, Fab India. "Thoughts on Leadership". November 21, 2007*

*Dr Fang Lee Cooke, Director, Center for Chinese Business & Management Studies, University of Manchester, UK. "Industrial Policy and Competitiveness of the Chinese Auto and IT Industry". December 7, 2007*

*Mr. Vinod Dhall, Member & Acting Chairman, Competition Commission of India. "Competing fairly and legally in modern markets". December 7, 2007*



*Dr Mamta Mohapatra, Program Director (PGDM HR) greeting Dr Fang Lee Cooke.*



*Mr Leon Louw, Chief Economist of Free Market Foundation of South Africa*

## HAPPENINGS

### The All India Alumni Meet, *Homecoming*

Homecoming means coming to what is close to your heart. And that's what many alumni experienced on the night of the 3<sup>rd</sup> November, 2007, when they gathered at the good old campus for the Annual All India Alumni Meet. There was much excitement at the prospect of reuniting with old friends and mentors and of being once more in familiar environs.

Prof. Anup Singh, Dean, Corporate Relations, extended a welcome to the alumni followed by a heart-warming address by Prof. C. S. Venkatratnam, Director. Mr. Rajeev Dhawan, President, Alumni Association, voiced the sentiments of the alumni and also stressed the importance of professional networking between members of the IMI fraternity. Prof. Rajat Kathuria, Registrar, reminded alumni that IMI never reneged on holding the reunion on the first Saturday of November every year and expressed the hope that a similar tradition would be introduced for Alumni Meets in other cities in other countries.



Highlights of the evening included screening of the Homecoming 2007 movie and some scintillating performances by current students. The atmosphere was so charged that some alumni added an impromptu performance. This was followed by a sumptuous feast which prepared everybody to jive to the beats of the DJ well in to the wee hours of the morning.

This unforgettable evening was enabled by our Principal Sponsor : General Motors India Pvt. Ltd., and also by the support extended by Wipro Infotech.



## IMI Students Perform Well At B-School Competitions

During October to December 2007 :

? Pooja Baid and Vikash Somani won the first prize in "Gurukul paper Presentation (Marketing)" and third position in "Kurukshetra The Business simulation game" at XIM, Bhubaneswar.

? Ritesh Patel, Ankur Vats & Achint Bansal won the first prize in "Designing a Promotional Plan" in a competition organised by Tata Indicom.

? Debarati Basu and Somashree Ghosh Dastidar won first position in "Lucratif paper Presentation (Marketing)" and 2<sup>nd</sup> position in "Lucrafite overall" at XIM, Bhubaneswar.

? Sam Chandy and Shaury Nehra won the first prize and Abhay Singh Mehta and Paul Joseph won the second prize in "ADMAS", an event conducted by the Promethean club at IMI, New Delhi.

? Vaibhav Jain, Saurabh Sharma, Vinay Ajmera and Rahul Gupta won the first prize in the flagship "Nautica" event at MDI, Gurgaon.

? Mrigank Shrivastava and Vaibhav Jain won the first prize at "Mastishk" organized by NITIE, Mumbai.

? Somashree Ghosh Dastidar won the first prize in the finance vertical at Annual National Summer Project Paper Presentation Competition "SPARHA-07" at Fore Management School, Delhi.

? Megha Kochhar, Nikhil Saigal and Navneet Monga won the first prize for the Goalmart event at Quo Vadis at IIFT, Delhi.

? Nitin Soni and Sneha Verma won the first prize at "Marketing World Cup Core Event SWADESH", at IMT, Ghaziabad.

? Sam Chandy & Kshitij Talwar won the first Prize at the "Real Time" Case Study Contest.

? Nitin Soni and Joydeen Sen won the first prize in "Kurukshetra-The business simulation game and in the Gurukul Paper Presentation (IT). Pooja Baid and Vikash Somani won the first prize in the Gurukul Paper Presentation (Marketing) as well as the third prize in Kurukshetra-the business simulation game. Debarati Basu and Somashree G.Dastidar won the first prize in Lucratif Paper Presentation - on mutual fund design and the second prize in Lucrafite overall

? Pooja Baid won second prize in the "Ad Critiquing" event at IMT, Ghaziabad.

? Hitu Madaan and Valka Gupta won the second prize at "PAPYRUS - finance paper presentation context" at IMT Ghaziabad's annual event "PASSION".

? Shivanku Misra won the second prize at the "Meet the Press" contest at IIM-Indore's annual fest, IRIS.

? Megha Kochhar, Nikhil Saigal and Navneet Monga won the second prize in the 'Gone in 60 seconds' Ad-making competition at the Marketing World Cup event at IMT Ghaziabad.

? Chirag Koranne and Shivanku Misra won the second prize at the "Koshish" the All India case study contest organized by IIFT Delhi.

? Mansi Agrawal and Abhinav Srivastav won third prize in paper presentation competition, academicshrift at IMT, Ghaziabad.

? Ritesh patel and Achint Bansal were runners up in the "National Competition for Management Students", at AIMA.

? Ritesh Patel, Ankur Vats, Achint Bansal and Jaydeep Sen were runners up at "Brand New Story at Marketing World Cup" at IMT Ghaziabad.

? Pooja Baid, Ritesh Patel, Nitin Soni and Sneha Verma were runners up at "Ad Critic Review at Marketing World Cup" at IMT Ghaziabad.

On the occasion of World AIDS day ten students of PGDM(HR) visited the Child Care and AIDS Rehabilitation Center in Daryaganj on 1<sup>st</sup> December a thoughtful contribution towards making our society more compassionate.

#### Gold Medalist, University and State Topper

Congratulations to Saurav Bansal PGDM I for being awarded the Gold Medal of the Punjab Technical University for academic excellence and being the University and State Topper.

#### Pre-Placement Offers for the class of 2006- 2008

The PGDP & PGDP (HR) batch graduating in 2008 got 24 Pre-Placement Offers from leading companies in India and abroad. For sales and marketing offers were from Asian Paints, CEAT, Spencers and Tata Motors. For finance and operations from MB Holdings (Muscat) , Dr. Reddy's, FirstSource Solutions, Grail Research, KEC International and RocSearch. For HR from Genpact , Vedanta Group and MB Holdings (Muscat) .

### On World AIDS Day : Medical *gyan* from a run-away chemist

*Dear All,*

*I would like to share gyan about AIDS transmission through blood transfusion.*

*Prior to joining IMI, I did research in Pharmacogenomics and drug delivery through nanoparticles. I noted that blood collected through donations is screened for HIV before storage through a complicated Enzyme-Linked test. Usually the test finds antibodies which develop in response to contact with the virus. However, the antibodies take up to 6 months to appear after infection. So if donated blood is collected before 6 months post infection there is a chance of HIV going undetected and if such blood is transfused infection of HIV is possible. To avoid this one should store ones own blood in advance, or store the blood of some closely known disease-free person with the same blood group.*

*In many scientifically advanced countries such procedures are routine but in India they are not and many patients do not know how they contracted AIDS.*

*Nirmalya Bhattacharya PGDM HR '07*

## Director's Choice

### Book reviews



#### YOUTH UNEMPLOYABILITY AND THE ENTREPRENEUR IN YOUTH

TeamLease (2007),

*India Labour Report, 2007: The Youth Unemployability Crisis.* TeamLease. Bangalore, pp. 110.

Marilyn L Kourilsky and William B Walstad (with Andrew Thomas) (2007),

*The Entrepreneur in Youth: An Untapped Resource for Economic Growth, Social Entrepreneurship, and Education,* Edward Elgar, Chatterham, U.K. pp. 166.

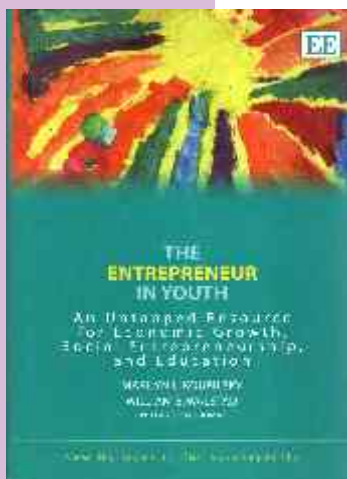
This quarter I chose two studies: one on the youth unemployability crisis in India and the other a US study on the voices of the youth and their desire for education that could lead to opportunities for enacting social change through entrepreneurship and achieving meaningful recognition.

The TeamLease study draws heavily on the NSSO 61<sup>st</sup> round survey and highlights that 53% of employed youth in India suffer some degree of skill deprivation while only 8% of youth are unemployed. It also highlights that 57% of India's youth suffer some degree of unemployability.

The study classifies the 82.5 million unemployable youth into different categories and suggests that 90% of employment opportunities require vocational skills which our existing educational system is not geared to provide. It makes a case for investing 10% of GDP (Rs.490,000 crore) to address the skill deficit and mismatch. This is expected to generate extra income of 61% of GDP (Rs.1,751,487 crore) for current unemployable youth. This means a 600% return on investment!

The skills agenda suggested includes (a) separating skills repair from skills preparation; (b) separating skills financing from skills delivery; (c) linking financing to outcomes; and (d) reviewing laws (such as the Apprenticeship Act) that sabotage 'learning while earning' and 'learning while doing'. Addressing the skills challenge will contribute to lowering inequality, inclusive growth and reduction in poverty.

The TeamLease report makes a convincing case and provides an actionable agenda to address youth unemployability which, the report says, is a bigger crisis than unemployment per se.



Since self employment and entrepreneurship hold promise for our youth. I recommend the reading this report along with the US study on the Entrepreneur in Youth. Though the latter study was undertaken in the context of the US, my gut feeling is that if a similar study is carried out in India, the results would not be drastically different. Marilyn and William find that almost two-thirds of high school students want to start their own business, but most of them have little or no knowledge regarding entrepreneurship. This study recommends that opportunities for entrepreneurship education be enhanced among all youth so that they can achieve success. It conceptualizes the curriculum for entrepreneurship as a pyramid with three layers that progressively build towards an understanding of entrepreneurship, entrepreneurial thinking, and economics. It provides a short description of the major components of the knowledge and skills people need to start a business. It suggests that youth must understand the connection between entrepreneurship and the underlying mechanisms of a market economy and outlines how such knowledge and skills help students become entrepreneurial in their thinking and actions, regardless of their livelihood or interests.

Together both reports shed light on the problem and the solution concerning how best youth can be gainfully engaged for their own wellbeing and that of society.

*C S Venkata Ratnam,  
Director, International Management Institute, New Delhi*

## News in Pics.



*Prof SK Chaudhuri who taught Finance left IMI on December 3, 2007 after 12 years. Here he receives a tribute at a farewell tea party from Ms Elezeba John who assisted him in a secretarial capacity.*



*Send off for Mr Debrata Das, Research Associate (first from left) who left IMI on November 2007 to join the Indian Business Academy, Greater NOIDA as Assistant Professor.*



*Lord Patten, Chancellor of Oxford University and of Newcastle University with Prof Rajat Kathuria, Registrar IMI furthering the dialogue in the run up to signing a Memorandum of Understanding between Newcastle University and IMI.*



*Prof Deepak Chawla met with his erstwhile colleague Prof Akpan H Ekpo, former Vice Chancellor of Uyo University, Nigeria during the latter's visit to IMI campus.*



*Human Resources students scaling heights on an outbound program in Mukteshwar*



*Mr. Sudeep Suri joined IMI as Associate Professor on 3 December 2007. Earlier he was with ABB-Australia in Sydney, City of Toronto in Canada and the Future Technology group in USA. He has done his MBA from ANU, Australia. He is a Certified Consultant in SAP-SD.*

# INSIDE COVER



*A delegation from the Korean Labor Education Institute led by Mr Park Jhangwan with IMI's Director Prof C.S. Venkata Ratnam. KLEI and IMI signed an MOU to cooperate in providing higher education to labour leaders in Asian countries.*

*Hilton Hotels team at IMI to explore training possibilities : (L to R) Neeraj Chadha - General Manager, Dave Osborne - Senior Vice President, Human Resources (London Office), Valerie Hayden - Vice President Human Resources (Singapore Office) and Subhasish Dasgupta - Director Human Resources with IMI Professors Himadri Das, Avinash Kirpal and NC Patnaik.*



*Participants in the Global Leadership Program at the headquarters of the International Labour Organization in Geneva, Switzerland*