



DOMAIN

THE JOURNAL OF MANAGEMENT RESEARCH

- Analysis of Performance Appraisal by Collective Action in Indian Sugar Industry
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JSB Staff members have lent their considerable talents and energies to planning and constructing appropriate databases, outlining work flow, and taking care of additional needs in releasing this journal so that we can devote appropriate time and energy to assuring JSB's continued high quality.

Prof. R. Chandrasekaran
Executive Editor

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Analysis of Performance Appraisal by Collective Action in Indian Sugar Industry

Dr. Pratapsinh Chauhan, Director and Professor, Smt. R. D. Gardi Institute of Business Management, Saurashtra University, Prof. D K Shah Dean Faculty of Arts, Saurashtra University, Dr. Vijay Pithadia Kidevices Chair

Abstract

Sugar co-operatives dominate the sugar economy employing about 16,000 crores investment and engaging about 7.5% of the total rural population. This article attempts to elucidate variations in the performance of sugar co-operatives and suggest suitable collective action plan

Introduction

The owed goal of Indian Planning Process is not only the economic development but also the rural transformation. The cooperatives endowed with peoples' participation and govt. support thrive to achieve the basic principle laid down in the plans. The cooperative agro-processing unit next to textile industry is one of the biggest sectors in India. Of these units, the sugar cooperatives dominate the sugar economy for a quite long time and considered as one of the most effective economic domains in developing the total rural economy.

The sugar industry employed about Rs. 16000 crores having a turnover of Rs. 20000 crores. The total cane price paid to the growers was around Rs. 12000 crores. The total contribution to central and state exchequer was to the tune of Rs. 1600 crores. Further, it provided direct employment to five lakh people and indirectly engaged about 45 million people in its operation which approximately covering 7.5% of the total rural population. Cooperative sector made this gigantic growth as possible in our country. Out of total 426 factories 249 were under the fold of cooperatives, producing 57.7% of the total sugar production. The total capacity of sugar factories was 86.17 lakh tones as against the total industry capacity of 150.87 lakh tones. Thus, to make the sector more vibrant and dynamic one has to synchronize and harmonize the efforts of sugar cooperatives through collective action.

Objective and Hypothesis

The broad objective of the study is to explain the variations in the performance of sugar cooperatives in terms of procurement of cane, processing and marketing through collective action. The broad hypothesis of this study was that the collective action problem is not resolved satisfactorily in all the sugar cooperatives.

Research Modus Operandi

In the study tried to explain involvement of the stakeholders in the three basic functions namely, procurement of cane, processing and marketing through collective action process. And concentrates only on the role of members and employees in these three functions and tries to explain the variation by using regression analysis. The regression model is applied on the spirit of coase theorem. Even though coase theorem may not be much useful to explain the variations (Mancur Olson, 1995), in the absence of standard model we try to observe the bargaining power of the stakeholders in maximizing the wealth of the institutions and in sharing the residual returns. A diagnostic procedure using T- Test is carried out to identify the significant variables. As such, there were 24 variables were identified. To run the regression models, both the explained (Y) and intermediate (Z) variables are generated and their brief description is presented in the following

Construction of Explained Variables (Y)

The Explained variables (Y) are constructed as under:

$PROCAP1 (y1) = (\text{sugar} \times \text{sugar price (sugar p)} - \text{total cost of production}) / \text{Capacity}$

The PROCAP1 is defined as the net income from the sale of sugar for per capacity (even though in strict accounting terms it may not true). Higher the PROCAP1 indicates that the mills able to generate

more net income by either increasing its average sale price or by reducing the cost of production.

$PROCAP2 (y2) = (PROCAP1 + \text{miscellaneous income}) / \text{capacity}$

It denotes the gross income earned by the mills after including all the incomes. Increase in the PROCAP2 explains the ability of the mills in sugar sales and byproducts and other incomes.

$PROCAP3 (y3) = (PROCAP1 + \text{additional financial benefits provided to the employees (add cap)} + \text{cane development expenditure (cdev cap)} + \text{additional cane price (smp -sap)}) / \text{capacity}$

PROCAP3 includes net income and the additional financial benefits like, bonus, overtime, retention allowances, leave salary and any other allowances paid to the employees. These benefits are provided to increase the productivity of the employees there by increasing the profitability of the mills. Further, the cane development expenditure covers basically the various subsidies and incentives given to the members for the production of good quality of cane and regular supply of cane.

$PROCAP4 (y4) = (PROCAP2 + \text{addcap} + \text{cdevcap} + (\text{canep} - \text{smp})) / \text{capacity}$

In the extended model the PROCAP4 is defined, in addition to PROCAP3, the miscellaneous income is also added.

$PROCAP5 (y5) = PROCAP3 + \text{purchase tax (tax cap)}$

In this model, the purchase tax paid by the mills also included so as to test the collective action process in the increased value of the dependent variable.

$PROCAP6 (y6) = PROCAP4 + \text{taxcap}$

PROCAP6 is defined in addition to PROCAP4 and the taxes to find out the collective action process in the gross income with tax paid per capacity.

$PROCAP7 (y7) = PROCAP5 + \text{depreciation per capacity (dep cap)}$

In this expanded model, the depreciation per capacity is used to know the variations in the independent variables along with PROCAP5

Specification of the Models

Two basic models are developed to explain the variations in (1) net income per capacity and gross income per capacity. These two basic models were re-estimated taking into account (1) All other financial commitment except the statutory obligation per capacity, (2) Tax per capacity (3) Depreciation per capacity and (4) Interest paid per capacity. Alternative specifications of these features were added in stages to the dependent variables. Such alternative specifications of the model are expected to capture certain behavioral patterns of interest groups in the sugar mills. While the left-hand side of the variable is the net worth of sugar mills to be maximized, the right hand side of the variables tries to influence their share of the net worth of the firms. Given the divergent interest groups in the sugar mills, it is expected that their relative influence in extracting their share depend on the distribution of their weights in the factory. In the formulation of the model, we assume that interest groups are on the left-hand side. The important interest groups are employees represented by Addcap, non-managerial labor, members represented by Pwelf and SMP, subsidy for growers, organization as whole represented by putil.

One of the significant variables in the model is the welfare benefit enjoyed by the members of sugar mills. Though the cost of this benefit would contribute to the decline in the net income of sugar mills, the regression estimate indicated positive contribution to the gross income of the sugar mills. One- percent increase in the proportion of people benefited contributes Rs. 792.33 increase in the gross income per capacity of the sugar mills. The value estimated for the second model is lower than the value found for model-1 at Rs.847.05

As expected, the additional financial benefits given to the employees reduce the gross income of the sugar mills by Rs.5.88, which is lower than previous model estimate at -7.49. It is expected that the varietal subsidy would contribute to the increase in the gross income of the sugar mills in terms of early crushing of cane to get high juice content. However, sign is contrary to the expectation. The reason would be that higher area is already covered under early variety and as a result late crushing takes place by the sugar mills. An increase in the area of early varietal subsidy reduces gross income of sugar mills by Rs. 7.78,

which is similar to the value found for the model - 1 at Rs.7.49. The overall fit of the model is reasonable as 66 percent of variation is explained by independent variables.

Interpretation for Regression Model

The regression estimates shown in table- 3 show that of the six independent variables, five variables were statistically significant from zero. It is seen that an increase in capacity utilization contributes positively to the increase in the net income of the sugar mills. The coefficient estimate showed that one- percent increase in the capacity utilization results in an increase in net income of the sugar mill by Rs. 1331.67 which greater than the value for model -2 and model -1, which statistically significant at 99% level.

The second variable showed that an increase in the proportion of non-managerial employees to the managerial employees contributed to the reduction in the net income of the sugar mills. While it is not statistically different from zero, the sign is expected one. An increase in the proportion of non-managerial employees to the managerial employees reduces the net income quite large by Rs. 162.42, which is higher than value found for the model -1 and model-2. It is expected that an increase in the price of statutory minimum price would result in the reduction in the net income of the sugar mills. However, the estimate showed that an increase in the SMP per ton by one unit brings about an increase in the gross income per capacity by Rs. 694.70, which is much larger than value estimated for model- 1, and model -2, which is statistically highly significant. The inference may be drawn that the SMP induces farmers to supply good quality of cane to the mills thereby enabling the mills to get high recovery from the cane supply.

Interpretation for Regression Model - 4

The regression estimates shown in table- 4 show that of the six independent variables, only three variables were statistically significant from zero. The variable the ratio of non-managerial employees to the total managerial employee emerges with some significance though not statistically different from zero. The variables Addcap and Varcap were not statistically significant compared to earlier models. It is seen that an increase in capacity utilization contributes positively to the increase in the net income of the sugar mills. The coefficient estimate

showed that one- percent increase in the capacity utilization results in an increase in net income of the sugar mill by Rs. 1340.11, which greater than the value for earlier models and it was highly statistically significant at 99 percent level.

The second variable showed that an increase in the proportion of non-managerial employees to the managerial employees contributed to the reduction in the net income of the sugar mills. While it is not statistically different from zero, the sign is expected one. An increase in the proportion of non-managerial employees to the managerial employees reduces the net income quite large by Rs. 158.17, which is higher lower than value found for the model 3 but greater than the value for model -1 and model-2. It is expected that an increase in the price of statutory minimum price would result in the reduction in the net income of the sugar mills. However, the estimate showed that an increase in the SMP per ton by one unit brings about an increase in the gross income per capacity by Rs. 696.04, which is much larger than value estimated for all earlier models, which is statistically highly significant. The inference may be drawn that the SMP induces farmers to supply good quality of cane to the mills thereby enabling the mills to get high recovery from the cane supply.

One of the significant variables in the model is the welfare benefit enjoyed by the members of sugar mills. Though the cost of this benefit would contribute to the decline in the net income of sugar mills, the regression estimate indicated positive contribution to the gross income of the sugar mills. One- percent increase in the proportion of people benefited contributes Rs. 705.11 increase in the gross income per capacity of the sugar mills.

The regression estimates shows that of the six independent variables, only three variables were statistically significant from zero. The variable the ratio of non-managerial employees to the total managerial employee emerges with some significance though not statistically different from zero. The variables Addcap was not statistically significant and Varcap was emerging significant not statistically different from zero.

The second variable showed that an increase in the proportion of non-managerial employees to the managerial employees contributed to the reduction in the net income of the sugar mills. While it is not

statistically different from zero, the sign is expected one. An increase in the proportion of non-managerial employees to the managerial employees reduces the net income quite large by Rs. 164.73, which is higher than the value found for the previous modes.

It is expected that an increase in the price of statutory minimum price would result in the reduction in the net income of the sugar mills. However, the estimate showed that an increase in the SMP per ton by one unit brings about an increase in the gross income per capacity by Rs. 685.33, which is lower, the value estimated for all earlier models, which is statistically highly significant. The inference may be drawn that the SMP induces farmers to supply good quality of cane to the mills thereby enabling the mills to get high recovery from the cane supply.

The regression estimates show that of the six independent variables, only three variables were statistically significant from zero. The variables Addcap was not statistically significant and Varcap was emerging significant not statistically different from zero. It is seen that an increase in capacity utilization contributes positively to the increase in the net income of the sugar mills. The coefficient estimate showed that one- percent increases in the capacity utilization results in an increase in net income of the sugar mill by Rs. 1385.31 and it was highly statistically significant at 99 percent level.

The second variable showed that an increase in the proportion of non-managerial employees to the managerial employees contributed to the reduction in the net income of the sugar mills. While it is not statistically different from zero, the sign is expected one. An increase in the proportion of non-managerial employees to the managerial employees reduces the net income quite large by Rs. 177.80. It is expected that an increase in the price of statutory minimum price would result in the reduction in the net income of the sugar mills. However, the estimate showed that an increase in the SMP per ton by one unit brings about an increase in the gross income per capacity by Rs. 651. 90, which are, lower the value estimated for all earlier models, which is statistically highly significant. In the regression model, the coefficient of util is demur compared to earlier model

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A Journey of Charity to Responsibility and Fashion to Profession

Sriram Kannekant and Dr. Muddu Vinay
Tata Institute of Fundamental Science, Bombay

Abstract

This paper provides information and emerging trends of Corporate Social Responsibility (CSR). The CSR concept was started in 20th century in Europe. Early days CSR was based on charity and fashion. End of the 20th century after entering of new millennium the concept totally changed all over the world. Developing countries like India also becoming a good host for CSR initiatives. This paper also gives the information about how CSR is becoming profession by introducing curriculum in management institutions and business schools. The CSR in the context International, Asia and Country level perspectives also discussed. The whole paper discussed in different dimensions like profession, management education, Research etc.

CSR roots

The concept of Corporate Social Responsibility emerged in early years of 20th century in European countries. After few changes taken place in post industrial revolution and electronic era the CSR came in lime line¹. Earlier responsibility purely based on charity concept and fashion only. There was no element of responsibility in their social initiatives. There was no mandatory in companies' financial plan. In a year various occasions only companies used to take up the social initiatives on nominal basis. After the change of face in countries financial situations all companies sensitized about the corporate social responsibility. In the United States the CSR concept gradually developed as a mandatory in all industries. The US government also provided few encouragements like tax exemption, giving recognition to trusts and charities to promote the CSR concept. After 1950 the total world equations have changed and few countries divided based on US & USSR. The developing and third world countries were needed support from bipolar world. The CSR quickly developed into a more comprehensive list of actions and responsibilities

and in the end to a complete management framework on how to manage the expectations of stakeholder, change and manage the way you do business more responsibly and take care of your environmental impacts².

What is CSR?

Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large³. Corporate Social Responsibility (CSR) is a concept whereby organizations consider the interests of society by taking responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations. This obligation is seen to extend beyond the statutory obligation to comply with legislation and sees organizations voluntarily taking further steps to improve the quality of life for employees and their families as well as for the local community and society at large. It is about how companies conduct their business in a way that is ethical⁴. This means taking account of their impact socially, environmentally, economically and in terms of humanity.

Need of CSR

Corporate Social Responsibility (CSR) is a relatively the 20th century phenomenon both in social development and much more so in corporate business culture. In many ways, CSR advances as counterculture to the long established idea of private and free enterprise. Free enterprise was supposed to be very private, to not have to answer to anyone about its business practices and to not be accountable to society except for fiscal matters. The only accountability was to private shareholders or institutional investors in the world's financial markets. Nevertheless, the increasingly negative and very pervasive impact of global corporations in all

aspects of social life and in the environment has been the catalyst in the emergence of a diversity of stakeholders demanding accountability about the impact of corporate activity in the life of the planet as a whole.

In true democracy, companies cannot ignore societies in any of the social spheres where they interact. This is because they are formed and managed by individual members of society, because their accumulation of capital, is only possible due to the existence of these societies, which constitute their markets, and, especially, because their activities have a tridimensional impact on societies and their habitat. The most distinctive feature of the concept of CSR, that every private enterprise has a legitimate diversity of stakeholders, is in stark contrast with the traditional private sector position of considering shareholders their only stakeholders.

In CSR, the stakeholders represent the different interests groups of society where corporations operate, be they workers, consumers, social justice NGOs, environmentalists, indigenous groups and so on, all with a legitimate right to demand socially responsible corporate behavior. Therefore, the stakeholders are all the members belonging to the corporation's social environs, which contribute to, or are encroached by, the corporation's activity. In this way, Corporate Social Responsibility is the inherent obligation of each business entity to account for the way its activity impacts the economic, social and environmental dimensions of its environs and to ensure that this impact generates equitable and sustainable benefits -and no harm- to all stakeholders involved

Approaches to CSR

An approach for CSR that is becoming more widely accepted is community-based development projects, such as the international organizations' involvement. These organizations have set up many livelihood centers to help educate the community's children, as well as develop new skills for the adults. And other international funding organizations, which are supported, by Multi National Companies (MNC) and other industries are providing support to establishment of education facilities, as well as HIV/AIDS education programs. The majority of these CSR projects are established in Asia and Africa. A more common approach of CSR is through the giving of aid to local organizations and poor

communities in developing countries. Some organizations do not like this approach as it does not help build on the skills of the local people, whereas community-based development generally leads to more sustainable development.

Various definitions of CSR

The Corporate Social Responsibility (CSR) is an upcoming trend in corporate arena. There is as yet, no widely agreed definition of CSR. In normal context CSR is a company's commitment to operating in an economically, socially and environmentally sustainable manner whilst balancing the interests of stakeholders and targeted people. Even though there is no universally accepted definition of CSR but few companies given appropriate definitions they are; corporate social responsibility is undertaking the role of "corporate citizenship" and ensuring the business values and behavior is aligned to balance between improving and developing the wealth of the business, with the intention to improve society, people and the planet.

Corporate social responsibility is the commitment of businesses to contribute to sustainable economic development by working with employees, their families, the local community and society at large to improve their lives in ways that are good for business and for development.

There is one and only one social responsibility of business-to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud. Corporate Responsibility is about ensuring that organizations manage their businesses to make a positive impact on society and the environment whilst maximizing value for their shareholders.

Difference between Social Responsibility and Corporate Social Responsibility

There is no much difference in social responsibility and corporate social responsibility. The primary objective of these two is same i.e. helping the society in different modes. The term social responsibility will applicable to individuals (citizens). As a citizen they have to perform few responsibilities be as an ideal citizen. That is also comes under responsibility. The same thing comes into the company context its become corporate social responsibility. The way of serving the

community helping the poor is different from each other. CSR since then has grown continuously into a must-have for organizations around the globe. No matter whether they have a complete management framework for CSR in place or a policy of some kind, CSR is different from one company to the other and needs to be a tailored approach to managing the responsibility within our society of this particular organization. There are obviously good and bad examples in the world but overall one can say that CSR been promoting responsible social practice in the world. And this is a good thing.

CSR: International Context

In the post globalization scenario the CSR concept has been changed and emerged rapidly in all over the world. The bilateral and multilateral financial institutions like World Bank, Asian Development Bank, International Monetary Fund, DFID and UNICEF etc... are entered into developing countries to initiate the social development activities. These institutions are providing the financial support through grants and loans basis. Simultaneously foreign MNCs are also coming forward to set up their industries and CSR units. The term CSR was in common use in the early 1970s (although seldom abbreviated), and the term "stakeholders" was used to describe corporate owners beyond shareholders at least as long ago as 1989. More generally, the social/environmental report is a second-phase report and the third phase of CSR reports is by far the most interesting for reasons that we shall suggest. The first phase of CSR reporting was composed of advertisements and annual-report sections in the 1970s and 1980s that paid homage to the environment the way a person might throw a coin into a fountain along with a wish. The reports were not linked to corporate performance¹⁰.

Asian Context

Asia is one of the big pockets to do potential social developmental activities through Corporate Social Responsibility activities. According to CSR Asia as the leading provider of information, training, research and consultancy services on sustainable business practices in Asia, few key things have to address still. They are; Potential promotion of CSR in the Asia Pacific Region on development issue specific. Lack of guidance and support services CSR activities are not taking place satisfactorily. The major drawback in Asia's CSR is there is no

network kind of initiative in the region. Due to this deficiency there is much duplication in many CSR initiatives in Asia region. CSR in Asian perspective is not professional due to lack coordination between the companies. The business competition of two companies is showing impact on their CSR units. In the Asia-Pacific context, it would be wrong to assume that all CSR practices are developed than in the West. Nevertheless at CSR Asia we have identified a significant need for knowledge and skills development and broader capacity building. However, we can believe the emphasis at present has to be on the need for more knowledge, education and training in the region. Starting with an awareness of the issues, moving on to developing strategies for stakeholder dialogue and then implementing and evaluating CSR initiatives are all areas in need of much more attention. Clarity regarding the costs and benefits of CSR is clearly needed.

Indian Context

CSR is a globally applicable concept but its interpretation will vary from country to country, industry to industry and company to company because of differing local situations and differing demands of stakeholders in different locations and industries. It is clear that for many people CSR is very much part of a Western agenda item. In the post liberalization scenario India is emerging as an economic super power in the third world. After the ending of 10th five year plan the growth rate is 8.5 to 9 percent¹¹. This is a significant change in country's economic scenario. Many companies have started their operations from India. All top 10012 companies have set up their units. Simultaneously their CSR initiatives also have been taken up. In the recent trend top 10 public sector undertakings also started their CSR activities in the country. This is an indication of strengthening of PSUs in post globalization.

To learn the full impact of the standards in the CSR Frame of Reference for India based companies in general, it was necessary to look at companies of different sizes, business sectors and with different type of activities. These companies either had direct CSR activities in India, by means of a subsidiary, joint venture or partner, or had an indirect link with India by means of a supply chain or investments. The group of 40 companies operated in different business sectors, among others agriculture, energy, ICT, automobile industry, tourism, financial services,

leather and chemicals. These companies were asked about their CSR performance with respect to the social, environmental, economic and operational principles incorporated in the CSR Frame of Reference. 13

CSR in Management Education Institutions

After entering into the new millennium drastic changes have taken place in corporate sector. That impact resulted in their CSR initiatives towards targeted goals. The United Nations (UN) formulated Millennium Development Goals¹⁴ (MDGs). These goals have provided new dimension to development sector. The community priority areas have given new indication to focus the issues. After MDGs formulation all MNCs and other industries are started their CSR activities on large basis. Many trusts and foundation came into force on behalf of institutions. Then the charity became the responsibility and the fashion changed to profession.

Whenever the CSR started on big basis there is a lot of requirement of qualified professionals. These professionals need to mould from management institutions particularly from Business Schools. Now these days many institutions or business schools have started CSR focused curriculum. The curriculum designing and teaching again become a new task. In these situations CSR curriculum needed much focused. Moreover many management education institutions started their own CSR units or foundations.

Curriculum

The CSR curriculum is designed in different ways in each institution. The programme may consist of classroom work, which includes lectures, discussions, student presentations, seminar discussions with subject matter specialists, observation study of social and related organizations, etc., Concurrent and block field work under supervision provides opportunities to develop practical skills in corporate social responsibility. Thus, at the end of the two years, the MBA in Management with CSR specialization will be armed with a range of competencies to work in the fields of social work, social welfare and social development processes in corporate companies initiatives. The nature of work covers a continuum of interventions from service delivery to organizing people for change to program development and influencing policy.

CSR Practices

In a developing country like India the government and Non government (including CSR) activists are implementing in all over the country. However the government is the major service provider in carrying out development activities. Less than 10%¹⁵ activities of social development activities are performing by the NGOs/CSRs in government development work¹⁶. The implementation part becomes a practice in CSR units. If say broadly we can define the development activities like Community issues cover a broad range of activities, including community assistance programs; supporting educational needs; fostering a shared vision of a corporation's role in the community; ensuring community health and safety; sponsorship; enabling employees to do voluntary work in the community; philanthropic giving etc.... There is a growing belief that MBAs are well placed to manage effectively and to lead corporations today. They are discerned to bring not only expertise in traditional management and financial skills to their employers, but also a sensitivity to all forms of CSR and the ways in which corporations need to interact with governments. European business schools are actively taking a lead in fostering good CSR management practices.

The CSR as a legal entity Governments have responded by spearheading the implementation of binding legal requirements relating to CSR in local laws. U.S. Congress recently enacted legislation mandating CSR systems within public corporations, with increased disclosure requirements and penalties for malpractice by corporate officers. The European Commission has been slower to respond. The EC has issued a Green Paper on CSR and has created a European Multi-Stakeholder Forum on the topic, though legislation has yet to result. It is apparent that in today's business practice, CSR is entwined in many multinational organizations strategic planning process. The reasons or drive behind social responsibility towards human and environmental responsibility is still questionable whether based on genuine interest or have underlining ulterior motives. Corporations are fundamentally entities that are responsible for generating a product and or service to gain profits to satisfy shareholders. However a business still comprises people those possess both the humanistic and naturalistic view points. The humanistic view is that a deteriorating environment and planet is of no relevance in

sustaining human life let alone a business. There is highly visible change in behaviour among corporate stakeholders as a result of high publicity on environmental and human right movements in present times. With global warming, and corporate behaviour so publicly available to broadcast, there appears to be a trend in social behaviour slowly changing from an individualistic mindset to a more holistic and collective reasoning. The Kyoto Protocol is an example of societies coming together and seeing the need for change on a global level.

Need of CSR curriculum and research in Business Schools

Introducing corporate social responsibility activity we can broadly divided into two dimensions in business school, they are; i) theory and ii) practice. In first type at business school level conducting classes, offering electives as compulsory and optional subjects. Initially the CSR focus will be started with understanding society social work, social welfare. Community Development, Planning etc...In the second type few activities can be taken up like involvement of students in various kinds of development activities, organizing events like blood donation camps and other related activities¹⁷.

In the end of the semester -III students can be taken up the block placement in any rural or urban locality. It will give an exposure about how to work and mingle with community in development process. Few students can be engaged any NGO as short term intern to learn NGO working style and dynamics. The Corporate Social Responsibility activity may lead to pioneer in helping marginalized and under privileged sections of people. Till now the social work education and practice and has over the years responded to the needs of the poor. The social work curriculum has been dynamic and changing with the emerging concerns in the era of globalization.

The MBA curriculum in business schools need to be redesigned to equip the management students with sound theoretical knowledge about social work, social welfare and development concerns of the poor, and help the students to develop skills and insights into working with people at the individual, group and community levels, and their representatives, and network with other groups and professionals working on similar issues. The electives include: Business Law, Corporate Financial Management, Corporate Reputation and Competitiveness, Corporate Social Responsibility and Business Ethics may be taught in business schools.

The scale and nature of the benefits of CSR for an organization can vary depending on the nature of the enterprise, and are difficult to quantify, though there is a large body of literature exhorting business to adopt measures beyond financial ones (e.g., Deming's Fourteen Points, balanced scorecards). Orlizty, Schmidt, and Rynes^[10] found a correlation between social/environmental performance and financial performance. However, businesses may not be looking at short-run financial returns when developing their CSR strategy.

The definition of CSR used within an organization can vary from the strict "stakeholder impacts" definition used by many CSR advocates and will often include charitable efforts and volunteering. CSR may be based within the human resources, business development or public relations departments of an organization^[11], or may be given a separate unit reporting to the CEO or in some cases directly to the board. Some companies may implement CSR-type values without a clearly defined team or programme.

The business case for CSR within a company will likely rest on one or more of these arguments:

There is a lot scope in business schools to initiate innovative teaching methods and research works. Many international organizations and few government welfare departments are offering research projects on development of community. Based on research findings only the Government and international organizations are providing funding or support to implement various programs at grass root level.

Protection of Environment and prevention of HIV/AIDS are present burring issues. Majority of the funding agencies are focusing on these two issues only. There is a big scope to do research in HIV epidemic. Frequent surveys, social dynamics and latest findings are changing the dynamics in implementation strategy. In the context of globalization the Corporate Social Responsibility turned as fashion to profession. Whenever it is treating as profession automatically it will come under management course. So there is a need of involvement of management institutes especially business schools to make good corporate social responsibility managers in future.

CSR as mandate for MBAs

The CSR curriculum as mandate in MBA course will lead to a positive impact in corporate sector in a

long run. Due lack of efficiency many companies lost their image and moreover targeted community was neglected. There have been a great many instances of poor corporate social responsibility (CSR) in recent years in businesses around the world. The most widely reported cases have been the World Com and Enron collapses¹⁸. Directors of public companies were actively hiding losses in offshore accounts to boost their reported profitability¹⁹. The Geneva International Organizations MBA programme specializes in CSR, providing an opportunity for students to integrate their MBA studies with internships in international governmental and non-governmental organizations in Geneva. To address this public demand for greater accountability, many corporations, particularly those with famous brands, have adopted voluntary codes of conduct.

Emergence and Future of CSR

Now a day many of the national and multinational corporate companies are imitating some social development activities in different ways. Almost all corporate companies have started their separate wings to perform their 'Corporate Social Responsibility (CSR)' activities. They are engaging separate professionals from development sector and NGOs to do some sort of social activity on behalf of respective company. Few companies have started in the name of the foundation to identify their company's name also. Many CSR activities are performing in collaboration with local level action groups, Non - Governmental Organizations (NGOs) and few government departments. Few CSR units limited to advocacy type of activities in an identified localities only. Many CSR units are doing their activity through designed projects. Especially Multi National Software Companies are involving activities like supplying free software and providing computers to schools and colleges. According to observations majority of CSR activities are implementing in urban pockets. Only few companies CSR units are doing interventions in rural areas only. This is treating it as Social and Human Face of the company. Few corporate banks started micro finance and entrepreneurship development as part of their regular operations and claming it as social responsibility.

Corporate Social Responsibility concept is gradually emerging in developing countries. This process has been rapidly occupying key position in corporate sectors in India. Many industries and corporate

companies are opening their CSR units and positioned few staff. Now a day every company is doing some interventions either directly or indirectly. Many CSR units are collaborating with similar agencies to do activities for marginalized. The debate about CSR has been said to have begun in the early 20th century, amid growing concerns about large corporations and their power. The ideas of charity helped to shape the early thinking about CSR in the developed nations. The term CSR itself came in to common use in the early 1970s although it was seldom abbreviated. The term stakeholder, meaning those impacted by an organization's activities, was used to describe corporate owners beyond shareholders from around 1989. Many large companies and institutions now issue a corporate social responsibility report along with their annual report. The CSR report concentrates on their non-financial societal activities (usually positive contributions in nature).

The increased awareness of CSR has also come about as a result of the United Nations Millennium Development Goals, in which a major goal is the increased contribution of assistance from large organizations, especially Multi-National Corporations, to help alleviate poverty and hunger, and for businesses to be more aware of their impact on society. There is a lot of potential for CSR to help with development in poor countries, especially community-based initiatives.

Future of CSR

The Corporate Social Responsibility has increased in importance around the world. The world becomes a global village in the information technology era. Sharing and accessing of information become very easy. All big companies are expanding their business opportunities all over the world. Simultaneously the CSR activities also expanding speedily where company initiatives started. Now these days every company feels CSR is unavoidable and responsible thing. Moreover companies allocating separate budget and deploying professionals for CSR initiatives. It shows that it is emerging as a powerful thing in social development sector.

The Corporate Social Responsibility (CSR) is high on every corporate's agenda. Social commitment is an essential part of every company. Corporate social responsibility involves the aspiration to make a positive contribution to the progress of the company

and society. If a company initiates CSR wing the company concerned need to work hard consequently on a formal, coherent and transparent policy in this field. Then only the CSR will become a potential area for development of the society.

Conclusion

The rapid information technology innovations are changing the face of Corporate Social Responsibility. The concept of CSR is still debatable in democratic countries. There is a major criticism in all over the world is corporate companies are utilizing this concept to build their business expansion. Through this concept corporate companies are liaison and lobbying with higher bureaucracy in the government to get permissions/licenses to their companies easily. Many companies are getting tax exemptions by carrying out these social development activities.

After the new millennium there was a huge cry over globalization impacts all over the world. Civil Society activists, philanthropists, humanists were conducted World Social Forum and Asian Social Forum Meetings to fight against the globalization and corporatization. These forum meetings organized all over the world focusing globalization impacts. There was big criticism conducting these forums in large level with the financial support of Multinational and Corporate companies. To organize and sponsor such anti globalization campaigns the CSS units of the companies are using as their cushions. However there is a need of participation of all in the developing process to mainstream the marginalized community. These CSR initiatives certainly help to develop them socially and economically.

The increased awareness of CSR has also come about as a result of the United Nations Millennium Development Goals, in which a major goal is the increased contribution of assistance from large organizations, especially Multi-National Corporations, to help alleviate poverty and hunger, and for businesses to be more aware of their impact on society. There is a lot of potential for CSR to help with development in poor countries, especially community-based initiatives.

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Useful links:
www.csrwire.com
www.csr-asia.org
www.worldbank.org
www.dfid.gov.uk

Pedagogies of Knowledge Management @ Infosys

Dr. Ashish Manohar Urkude, Professor, Alliance Business School, Bangalore 560 068

Abstract

Today almost every organisation in the world is trying to become a learning organisation. There are few organisations which have started upgrading and evolving since their inceptions. Take example of GE, it has become a melting pot of many countries, civilisations, languages, contrast and cultures, through continuous learning. Also, lot of organisations have implemented CMM, PCMM, ISO 9000, ISO 14000, TL 9000, AS 9100, ISO 20000, ISO 27000, OHSAS, TS, IEEE, Six Sigma, TQM, Kaizen, HR Score Card, Balance Score Card, Intangible Assets Monitor Framework, and such different benchmark to keep themselves up dated and on the performing peaks at all the times. Infosys, India is one among them. Infoscions have understood the 'Perform or perish' approach in the multi-polar, and multi-dimensional global competitions. This continuous up gradation, human

resource development, technology acquisition and technology up-gradation 24 X 7 X 365/366, at all the levels has lead to multidimensional development of Knowledge Management Maturity Model.

Thus, Indian ICT giant Infosys has become such an organisation which is trying to implement all these best practises around the globe to fetch the businesses from the best organisations around the world.

This research concentrates mainly on the pedagogies that are followed in the Infosys. Further, it suggests the obvious expectations of the young generation.

To make research to the point and crisp, everything is put/ fitted in the tabular format

Key words: Knowledge Management (KM), Knowledge Management Maturity Model, Learning Organisation, Learn once use anywhere, and Wise Infoscions.

Table 1: Pedagogies of Knowledge Management @ Infosys in Tabular Crisp Form:

SN	KM Characteristics	Description with respect to KM in Infosys
1	Aim	To move towards a "Learn Once, Use Anywhere" paradigm.
2	Objectives	i. To minimise the efforts dissipated in redoing learning that has already happened elsewhere, and ii. Ensuring that Infosys employees (Infoscions) in contact with the customer have the collective and organised knowledge of the Infosys with them.
3	Goal	Delivering all organisational learning to benefit the customer.
4	Strategy	Knowledge Management Maturity Model.
5	Vision	To be an organisation where every action is fully enabled by the power of knowledge: a. Which truly believes in leveraging knowledge for innovation, b. Where every employee is empowered by knowledge of every other employee, and c. Which is globally respected knowledge leader.

SN	KM Characteristics	Description with respect to KM in Infosys
6	Mission	To ensure that all the organisational learning is leveraged in delivering business advantage to the customer.
7	Challenge	<ul style="list-style-type: none"> a. External Customer benefited through KM, and b. Empowerment through knowledge.
8.	Overall remark	Achieving supremacy through knowledge of Infosys personnel and associates.
9	Paradigm shift	Learn Once- Use Anywhere.
10	Body of Knowledge (BoK)	<ul style="list-style-type: none"> a. It enshrines, preserves, and protects essential learning gained through previous projects. b. Prizes are given to meritorious contributors.
11	Process Assets	<ul style="list-style-type: none"> a. In the busy job profile very few contribute to KM. b. There are very few can write their experience in few words. c. Very few can contribute/ capture the project deliverables and distil it in the form organisation requirements. d. Process Asset is system. It captures intranet based system. e. It is a focused search system. f. Project Leader fills in a brief description of the project, the target audience and others details while uploading into system.
12	Practise Unit	Several Process and Practise unit exists
13	Knowledge Capital	<ul style="list-style-type: none"> a. Infosys essentially is in knowledge intensive business. b. In the environment where every software and hardware observes obsolescence; up gradation of knowledge and history of evolution of further versions has its own importance. c. Global market place has diversities dissimilar in every function, place and systems. Key determinants of Success are ability to leverage know how, innovation and reputation of the organisation as well as the employees. E.g. Infosys has become crucible of melting pot of boundaries of various countries, civilisations and cultures; hence it is important to balance acts to achieve productivity and profitability. d. Traditional Balance Sheet, Profit and Loss Account, Income Statement, have no values left in this world. Instead, 'Balance Score Card' kinds of approaches have gained importance. Thus, Human value in the organisation, Market valuation, Quality, Customer delight, have gained significant importance. Infosys has started using "Dr. Karl-Erik Sveiby's Intangible Assets Monitor Framework in 1998", which was developed in 1997. In this KM initiation process there are: <ul style="list-style-type: none"> i. External structure initiatives from customers, competitors, suppliers, ii. Internal structure initiatives: Depends on the leadership qualities of CKO and KM Mentor, iii. Competence initiatives: Individual Tacit knowledge must be stimulated and tapped.

SN	KM Characteristics	Description with respect to KM in Infosys
14	People Knowledge Map (PKM)	<p>Company believes that such a presentation of its knowledge assets would provide a tool to its investors/ customers for evaluating the market-worthiness of the company.</p> <p>a. It is a Knowledge Directory, providing a pointer to expertise available within the organisation has been developed and deployed.</p> <p>b. PKM provides intranet based interface via which people can register or locate expertise.</p>
15	PKM System	<p>System is designed to be driven off a proprietary knowledge hierarchy consists of multi-level taxonomy of topics represent knowledge in the Infosys context.</p>
16	PKM Hierarchy	<p>At the Top of PKM Hierarchy is Technology consisting 800 nodes. Levels are:</p> <p>a. Technology, b. Process, c. Project Management, d. Application domain, and e. Culture</p> <p>Further deeper levels representing a finer grain of topics.</p>
17	Sparsh- The Intranet - (CIP) The Central Information Portal	<p>i. Sparsh is the companywide intranet.</p> <p>ii. It forms the central information portal.</p> <p>iii. It consists of 5000 nodes:</p> <p>a. Spread across India-Based Development Centres/DCs</p> <p>b. USA based marketing office.</p> <p>iv. Home page:</p> <p>a. Official policies, and documentation,</p> <p>b. Press Releases and Articles,</p> <p>c. Web Based In house information system.</p> <p>v. It also has knowledge shop that provides access to several intranet-based knowledge systems.</p> <p>vi. It has links with:</p> <p>a. Projects,</p> <p>b. Practise Units (PU)</p> <p>c. Departmental and Personal Web Pages,</p> <p>d. Access is governed by (Indian Patent Regulation-IPR) guidelines.</p> <p>vii. Security is provided through firewalls, to avoid external intrusion.</p> <p>viii. Email:</p> <p>a. Every Infosions has access to, support bulletin, boards for official announcements as well as technical and personal queries.</p> <p>b. An email protocol has been defined and is adhered to.</p> <p>ix. Virtual Classroom:</p> <p>a. It is developed and deployed on the intranet.</p>

SN	KM Characteristics	Description with respect to KM in Infosys
18	Best Practises	<p>b. It has access to various courses whose contents have also been developed by the Infoscions.</p> <p>c. Discussion Forum: For Questions and Answers related to various courses.</p> <p>d. Several tutorials are there online, purchased legally.</p> <p>x. Systems for Supporting Training Management which are developed internally by Infoscions are also available for:</p> <ul style="list-style-type: none"> a. Course Announcement, b. Nomination, c. Reporting, and d. Participant evaluations. <p>Practises that have worked well around the world are also propagated through regular seminars and best-practice sessions, held both within units and organisation wide.</p>
19	Odyssey	<p>A system that provides an umbrella for websites maintained by Individual projects, Marketing intranet, which provides information and reusable artefacts useful at the sales and project initiation stage.</p>
20	An integrated KM strategy	<ul style="list-style-type: none"> i. KM related activities have in past proceeded in an un-orchestrated fashion, being carried out in various organisation pockets like: <ul style="list-style-type: none"> a. Quality Department, b. Information System (IS) Group, c. Marketing Group, d. Various Practise Units (PU), e. Education and Research (E & R), etc. ii. In 1999, a move towards KM strategy was initiated. iii. A coherent KM effort is being developed continuously. iv. Ownership: Ownership of KM strategy vests with E & R, whose motto is "We help Infoscions make learning a way of life". v. Key constituents of KM Strategy: <ul style="list-style-type: none"> a. People, b. Process, and c. Technology. <p>It aims to address the challenges recounted in every aspect of KM, through multitude of initiatives, conceptually underpinned by Infosys' proprietary KMM Model.</p>
21	Knowledge Management Maturity Model (KMM)	<ul style="list-style-type: none"> i. KMM- Knowledge Management Maturity Model is based on the realisation that path to achieve KM success involves significant changes:

SN	KM Characteristics	Description with respect to KM in Infosys
22	CMM and KMM Analogy	<p>a. In the working culture, b. In the Processes of the organisation, and c. System in the organisation.</p> <p>ii. Instead of taking one giant leap a staged frame work is done under progressive development. The most well established model available today to/ for managing changes in phased manner is Software Engineering Institute's (SEI Carnegie Mellon Institute) Capability Maturity Model (CMM).</p> <p>iii. Further the purpose of KMM Model is two fold: a. To provide framework, this can be used to assess current level of KM maturity, b. To act as a mechanism to focus, and help prioritize, efforts to raise the level of KM maturity.</p> <p>In analogy with CMM, the KMM model: A. Consists of 5 maturity levels: i. Initial: It is the juvenile level where everyone contributes and tries to develop the organisation. ii. Repeatable: At this level, the systems and processes are well learned and adopted by all, iii. Defined: At this level of maturity, 5Wand 1H are well defined and thus all the actions have reasons and structured patterns, iv. Managed: People learn how to manage the work according to set up procedures and standards. v. Optimised: The best practices around the world get absorbed in the everyday work and life of individuals and almost all the stake holders, thus benefiting individual employee, teams, groups, and the whole organisation and all other stake holders.</p> <p>B. CMM and KMM follow the similar methodologies at all these levels but CMM is applicable to ICT while KMM has much wider perspective and depth in almost all the aspects of the business.</p> <p>C. Set of Key Result Areas (KRA) defined at each level, a. Each KRA defines a particular capability in terms of People, Process, or Technology and effectively serves as unit of KM capability. b. Each maturity level can be characterised by certain observable capabilities again in terms of people, process or technology, with successive levels exhibiting higher capabilities. c. There are 15 KRA in all, each being specific to one of people, process or technology.</p>
23	Infosys Advantage and Results	<p>i. Infosys has achieved Capability Maturity Model (CMM) level 5 and Knowledge Management Maturity Model (KMM) level 5.</p>

SN	KM Characteristics	Description with respect to KM in Infosys
		<p>ii. Adjudged the best recruiter in 2005 in India, in terms of employee satisfaction. It could happen only due to the contribution in/ from/ to / for the KM and their implementations.</p> <p>iii. Infoscions have developed their own way of working, upgrading their knowledge base, keeping themselves fit at multiple levels, and have established their campuses in many major cities in India. In fact it is the most sought after job destination in the private sector in India.</p> <p>iv. Infoscions are able to reduce the attrition rate, the biggest problem faced by the Information Technology industry in the world market.</p> <p>v. Infosys have become the most sought out Indian Brand name in the Information and Computer Technology (ICT) world market. Hence, almost all the Fortune 500 companies have their business link with Infosys.</p> <p>vi. Infoscions have established their base in almost all parts of globe being the most trusted, versatile and value adding organisation.</p> <p>vii. Infoscions have put idols and icons before the world. Its CEO, Mr. Narayana Murthy has ideally retired from his post and is not active in daily business, that too, at the age of exactly 60 years. However, being the chief founder of Infosys Mr. Narayana Murthy is still chief patron of Infosys and trying to devote most of life for higher causes like social services. Most important contribution by him to Infosys is; he treated himself at par with any Infoscions when he was at the job. He used to take lunch with his all other employees/ colleagues in the common boarding hall. He used to stand in queue with other Infoscions like any common employee. Thus, he improved the organisation belongingness and interpersonal excellence among all the Infoscions. It could happen through Knowledge Management as he followed the path/ the legacy of Honourable Mr. J.R.D. Tata of the Tata Empire, India, who used to take lunch with his common employees during everyday lunch break. Henry Ford of Ford Motors, USA also used to work on shop floor with his employees.</p> <p>viii. Today Infosys is attracting global talent pool without much bigger advertisement. Most of the marketing as well as business advertisements occur through word of mouth. Infosys started 'Finding a buddy' method in which employee can locate the best candidate and suggest to management. It built trust among all.</p> <p>ix. With KM Infosys has become the most alert organisation in India which really understands, works synergistically and bring desired results in the five basic factors of Knowledge Management:</p> <ol style="list-style-type: none"> a. Limitations of Existing Initiatives, b. Value of Knowledge, c. Minimising Effort Duplication, d. Sharing Best Practises, and e. Enhanced Innovations.

SN	KM Characteristics	Description with respect to KM in Infosys
24	Financial Growth	<p>x. In India it has become dream organisation for many youngsters. Almost 1,302,363 applied in 2006-07 out of which only 14,000 people were selected to become Infoscions. Thus, improved work force to 50,831 in 2007 from 44,658 in 2006.</p> <p>xi. World over all Fortune 500 organisations has some business with Infosys. Even Olympics and other sports software are developed by Infosys thus making it one of the most sought after organisation world over in the field of ICT.</p> <p>Founded 1981: Starting Asset Rs. 10,000/=</p> <p>Latest figures 2007: Net Market Capital- Rs. 1,153,070,000,000/=(Rupees One Lakh Fifteen Thousand Three Hundred and seventy Crore or Indian Rupees One Trillion @ 1 USD = 40 INR) i.e. almost USD (\$) 25 Billion.</p>
25	Employee Contribution	<p>Infosys is built on ideas and contribution of its each and every employee. Right from Honourable Mr. Narayan Murthy, Honourable Ms. Sudha Murthy, Honourable Nandan Nilekani, to the latest Infosys employee. It recognises the contribution of each employee and thus believing in the human values.</p>
26	Increase in Share values	<p>Over the years, Infosys has improved its stock market-share value. In the Indian National Stock Exchange, on July 15, 2007, its INR 10 share is valued almost at INR 2000. It's ADR in USA, has improved to almost USD 52, as on July 15, 2007.</p>
27	Tangible Benefits	<p>i. Profit improvement and making money through information.</p> <p>ii. Increase in share value in India and abroad/ ADR.</p> <p>iii. Business Development through organic growth and also through inorganic growth,</p> <p>iv. Asset and infrastructure enhancement,</p> <p>v. Wiser Infoscions through continuous Human Resource Development,</p> <p>vi. Lean Production through enrichment in system, process and technological standardisation,</p> <p>vii. Achievement of CMM, KMM, ISO, PCMM, IIIE technology and human resources benchmarks.</p>
28	Intangible Benefits	<p>i. Standardised knowledge acquisition procedure,</p> <p>ii. Standardised knowledge development process,</p> <p>iii. Infosys has knowledge encyclopaedia on all the relevant subjects,</p> <p>iv. High amount of knowledge sharing,</p> <p>v. Knowledgeable and Wise Infoscions are long term asset for Infosys, Wise Infoscions is the term used for the individual and common wisdom of Infosys employees and employers,</p> <p>vi. Improved Infosys brand name, as it provides end-to-end solutions to its clients,</p>

SN	KM Characteristics	Description with respect to KM in Infosys
29	MAKE 2003 Awards to Infosys for KM	<p>vii. Employee involvement and organisation belongingness among them,</p> <p>viii. Better interpersonal excellence among all Infosys/ Infosys stakeholders.</p> <p>ix. Talent retentions through employee job satisfaction.</p> <p>x. Continuous improvement in the customer satisfaction.</p> <p>xi. Infosys is able to beat the competitors with riding high on the KM instead of business intelligence.</p> <p>xii. In the field of Consultancy Infosys is giving their customers operational advantages over competitors through this KM sharing, and have entered into Aerospace and Defence, Banking and Capital Markets, Communication Service Providers, High Tech and Discrete Manufacturing Insurance, Healthcare and Life Sciences, Media and Entertainment, Resources, Energy and Utilities Retail, Distribution and Consumer Packaged Goods Transportation Services.</p> <p>xiii. Increase in customer loyalty through knowledge sharing.</p> <p>xiv. Faster Innovation is made possible.</p> <p>xv. Infosys has fuelled growth in their clients.</p> <p>xvi. KM has provided seamless information flow among all the stake holders increasing the productivity.</p> <p>xvii. Infosys has set up collaborations with many institutes to upgrade their employees in different domains. It also has set up many in house programs too. KM allows positive discussions among employees and thus further takes. Many centres of excellence have come up benefiting almost every Infosys.</p> <p>xviii. Infosys corporate governance with global presence in eighty countries on the globe, has improved through 24 X 7 X 365 up gradation and use of KM.</p> <p>xix. Infosys has developed alliances at global level to enhance supply chain management and risk management solutions with its clients.</p> <p>xx. Infosys Foundation has set up 5500 libraries in villages with Indian and Provincial Government collaborations as a part of Corporate Social Responsibility (CSR).</p> <p>Won the prestigious Global Most Admired Knowledge Enterprises (MAKE) Award, for the year 2003. Acknowledging the award, Mr. Kris Gopalakrishnan, Chief Operating Officer and Deputy Managing Director, Infosys Technologies said, "We are delighted to be ranked among the world's Most Admired Knowledge Enterprises in the 2003 Global MAKE study. At Infosys, Knowledge Management has helped us connect people, bring together geographically dispersed work-groups, and create an enduring culture of sharing and caring. It has also provided us a platform for creative and collaborative problem solving, and the means for creating a symbiotic relationship between the individual and organizational objectives for</p>

SN	KM Characteristics	Description with respect to KM in Infosys
30	KM Human Relationship Management	<p>development." Reacting to the award, Dr. J.K. Suresh, Principal Knowledge Manager, Infosys Technologies said, "It is with pleasure that we acknowledge the singular honor of being ranked as one of the world's Most Admired Knowledge Enterprises in the 2003 Global MAKE study, and bracketed with the best of breed knowledge organizations in the world. Infosys' effort to provide genuine customer value is based on our commitment to innovation and excellence in execution centered on Knowledge Management in its many flavors. Given that our customer provides the basic direction to these attributes, the primary benefits of leveraging Knowledge Management have been in ensuring that our customer's business does better in smaller time frames and with a lower cost of ownership."</p> <p>For this purpose KM in Infosys operates at three process levels:</p> <ul style="list-style-type: none"> i. Project level, ii. Account level and iii. Organisational level.
31	What stalwarts say about Advantage of Infosys from KM	<ul style="list-style-type: none"> i. Dr. Rory Chase, Managing Director of Teleos, said: "Organizations like Infosys have been recognized as global leaders in effectively transforming enterprise knowledge into wealth-creating ideas, products and solutions. They are building portfolios of intellectual capital and intangible assets which will enable them to out-perform their competitors in the future." ii. The Committee Key Findings of the Global MAKE Study for the year 2003 were as follows: <ul style="list-style-type: none"> a. The 2003 Global MAKE Winners and Finalists trading on the NYSE/NASDAQ showed a Total Return to Investors (TRS) for the period 1992-2002 of 19.6% - a staggering 2.2 times the Fortune 500 company median. b. 2003 Global MAKE Winners and Finalists showed an average Return on Capital Employed (ROCE) of 30.4. c. Profits as a percentage of assets for the publicly traded 2003 Global MAKE Winners and Finalists was 5.4 - over five times that of the Global Fortune 500 company median. Investors believe that the 2003 Global MAKE Winners and Finalists offer long-term potential due to their capability for intellectual capital-driven wealth creation. d. Twenty Global MAKE Winners and Finalists (57% of the for-profit companies in this year's list) rank in the world's top 100 companies by market capitalization. <p>Thus showing achievement of Infosys through KM. Infosys is the first Indian organization to achieve this feat.</p>

Table 2: Future Challenges/ Needs, Expectations and Suggestions:

SN	KM Characteristics	Description with respect to KM in Infosys
1	Future Needs/ Challenges	Knowledge Preservation in the fast technology obsolescence era has become a major challenge. The reason may be the technology over which knowledge is stored may or may not remain compatible to future technologies hence constant up gradation of knowledge as well as its storage devices and technologies has to be up dated from time to time. It is need of the day and a challenge as well. This is the future need of the whole human civilisation, for sustenance and survival.
2	Future Expectations	Knowledge Utilisation for humanity at large through Corporate Social Responsibility (CSR) in fact Infosys may be even able to go beyond CSR through its own social foundations.
3	Major Suggestions	<p>i. Infosys may start consultancy with top class human resources and supporting Knowledge Management Repository in multiple fields, to benefit Micro, Small, Medium, and Large Scale Industry, Public sectors, Non Governmental Organizations (NGO), Self Help Groups (SHG), and other organisations without boundary and barriers.</p> <p>ii. Infosys has the top talent pool next only to UNO, WB, NASA and Fortune 500 organisations like Microsoft, GE, and Oracle. Hence it is anticipation of many that it can develop its own operating system/ medium like Windows and Linux, which could be ubiquitous, user friendly, easy to install, interactive, multi-dimensionally perfect and viable, and can benefit a common man having cheaper prices than other operating systems/ mediums. It could revolutionise and trigger the computing world, could trigger the faster growth in technological world, and could activate growth in science and technologies and could generate growth in the business world and could set off growth in development of human capabilities through total paradigm shift. Thus, human civilisation would be benefited and could grow beyond our Earth's moon, planet Mars and beyond. Thus, that which is science fiction today would be made reality if Infosys could bring this revolution of own multiple-advantage operating system/s as soon as possible.</p>
4	Other suggestions	<p>Infosys can help other organisations of any kind in the form of:</p> <p>i. Knowledge Creation</p> <p>ii. Innovation,</p> <p>iii. Curriculum development, distance learning, custom-tailored courses from Infoscions University or helping other Universities,</p> <p>iv. Knowledge Dissemination and Skill development,</p> <p>v. Knowledge Adaptation,</p> <p>vi. Knowledge Usage, and</p> <p>vii. Knowledge Value Chaining.</p>

Conclusion

In the knowledge explosion era, Infosys has achieved excellence in its ICT and allied fields only through continuous learning and knowledge management. Hence, the next expected step from Infosys could be to evolve its aim, objective, mission, goal, strategy, and vision. Thus, it could put a real challenge before the competitors. In fact, it must think and beyond competition/s. Also, it can accept the multiple challenges in the world through wise and knowledgeable Infoscions. Infoscions thus could bring a complete paradigm shift in the world through Knowledge Management motto of Infosys 'learn once and use anywhere'. There by the world will have only one way to go-Futuristic and Forward.

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Product Recalls : Marketing Failure and Implications with Indian examples

Prof. R.K.Gupta, Senior Consultant & Professor, American University in Dubai

Abstract

This paper examines the virulence of market failures with regards to product recalls in the Indian context. The questions asked during the course of these investigations are whether the product recalls relate to the negligence on the part of the makers. What are the role of service providers like lawyers, doctors and others in this case?. This paper also examines the logistics of recall and finally concludes that more than many times product recalls are spread over various industries and often indicating poor quality or design and not related to the warranty processes

A product recall is a request to return to the maker, a batch or an entire production run of a product, usually over safety concerns or design defects or labeling errors that we will see in below list of cases compiled for diverse companies and product categories.

The issues:

Product recalls are not uncommon phenomenon as evident from below given compilation and best of the companies and brand leaders are involved in this from time to time. When there is too much outsourcing to lower costs so that US CEOs can play golf and show company efficiency to shareholders, it gets worse.

1. Do product recalls relate to negligence on part of manufacturers in supply of goods? Do they damage Brand image or enforce it by effective and quick replacement of defective product/repair? We may also call it damage control.
2. The decisions have to be taken fast on receiving a significant number of initial complaints about safety concerned defects common to all users or accidents that might have taken place or there is serious design or component problem in product which may create problem for image of company and drag them into litigations for costly settlements. Consumers' life may be at risk.
3. What about failure of service provider like lawyers, doctors and others (Called service failure and service recovery processes), because in this case recall is not possible.
4. What local governments do about this issue and what are laws in various parts of world -(We shall take only USA and India in this article) about these issues of product defects and safety concerns-specially for drugs, children products, automobiles, home gadgets and food items. Of course in any product, safety concern may exist like clothing or even bibs used for children.
5. What are consequences of defective product supplies and its cost of calling back?
6. WTO agreement has a chapter relating to Sanitary and Phyto-Sanitary (related to plant material sources) conditions for imported food and other related items, which is being criticized by India and many other developing countries as non-tariff barriers. But recent incidents seem to justify such controls especially in food products, drugs and electric goods and even textiles (flammable skirts scandal that took place a few years back exported from India to USA buyer) and those that come in body contact like Toy paints or decorative items and cosmetics, of course.
7. How the product recalls can be handled and is it possible to build in a system for possible product recalls like that for disaster management systems and Information system crashes in companies? How companies can ensure quick and safe recalls and ensure traceability of goods down the channel of distribution, the response time to recall and the reverse logistics for customers returning goods and getting refund or replacement . Customers may ask for damages in courts (USA). The delay may be fatal for consumers in certain products like electric appliances, automobiles and food items/medicines.

The recalls do have financial implications for companies and some may get doomed even.

8. Why these product quality failures (technical, functional or ingredients quality) occur and are these avoidable by process control models and advances quality control systems? Many failures are accounted for by poor design and ignoring safety aspects, like sharp corners in toys or loose parts or buttons on children garments which can be swallowed by kids.

Generally speaking Companies recall products when defects seem to have safety concerns for customers and affect large number of customers. Otherwise normal warranty procedures are adequate as part of standard marketing practice. Thus recalls are more of preventive in nature and to pre-empt costly litigations and financial and goodwill losses.

The story of Product recalls:

My first encounter with product recall in market was when I was undergoing my MBA summer training at Glaxo Laboratories, now Glaxo Smithkline Beecham (GSK), Mumbai at their Worli, plant. Glaxo had a unit at Aligarh (U.P) to make Baby powder/ foods like Farex (Remember the then famous 'bony bony baby -Farex baby' radio jingle? Later Aftab Shivdasani, now film star, had modeled as farex baby). This brand is now with Wochardt. Wochardt acquired Dumex India; Protinex & Farex (News item dated July 1, 2006). Before that Heinz (USA food Giant) bought it from Glaxo 11 years back when Glaxo globally moved out from food business.

Due to some problem in composition of powder then in some batches , the product was recalled from market and I witnessed a flurry of activities by Glaxo staff , the effort being colossal even in those times (1977) of smaller sales volumes to contact various drug stores and other stores that marketed baby food and allied items. There were no faxes, TVs in small cities and emails (internet); phones were only in D.O.T monopoly and sluggish.

This process of recalling products from sales channel partners or consumers may be called Reverse logistics (read my paper on this on indianmba.com) and costs are enormous. To call back widely distributed consumer products like battery cells, toys, and baby powder is quite cumbersome and expensive with time shortage (One can't wait for disaster to happen).

Frankly speaking I was wondering if there was no immediate threat to life of babies, why Glaxo had gone to such a length and did all efforts to call back product from markets and of course it had no alternate use except for making a bonfire, may be. But the Glaxo brand made deep impression on me as a socially responsible, ethical and professionally managed company. Remember there were no Consumer Protection laws then and concept of Corporate Social Responsibility and Corporate Governance did not exist in India, at least. It was License Raj in full swing and most of goods were in short supply.

Things have not improved since then and product recalls continue unabated across a cross section of industry and products by best of companies.

Let us have close look at some past and current cases of product recalls. These recalls are either for replacement or refund (return) or simply for repair or replacement of defective part(s) from product that is not meeting standards or is unsafe. Very recently following product recalls have taken place (at the time of writing this article):

USA/Globally-

Mattel Inc. toys, manufactured for them by a Foshan based Chinese company (the owner, Zhang Shuhong has already committed suicide (August 14, 2007 news item) for small detachable and swallow-able magnet in toys and lead (in paint) health hazards allegedly in some other toys. The recall runs into millions of toys.

The U.S. Consumer Product Safety Commission has issued more warnings, this time recalling thousands of SpongeBob SquarePants journals, various spinning tops and children's jewelry, following Mattel episode.

A class-action lawsuit has already been filed against Mattel related to its recent recall of more than 1 million lead-tainted toys.

Nokia- Mobile phone batteries BL-5C (manufactured in China but for Matsushita, Japan) have been recalled for getting overheated and bursting during charging- Although most of mobile sets heat up while in use for a longer period continuously-this is yet to be addressed by mobile manufacturers who are busy reducing instrument size. Another issue related to safety in Mobile hand sets is micro/radio

wave emissions that emanate from handsets and being doubted as health hazard (no conclusive studies are yet available). In perhaps the largest product recall in India, mobile giant Nokia recalled 46 million batteries pursuant to customer complaints across the globe.

A couple of days ago, Nokia issued a 'product advisory' (the company does not call it a recall) for these BL-5C batteries having certain period of manufacturing. On the first day of the opening of its centre (August 16) for advice on the faulty batteries, Nokia India answered 20,000 calls and received 1.45 lakh SMSes, according to Devinder Kishore, Director- Marketing.

Other product recall cases in recent past:

In another case Toyota (Japanese) had to recall 500 thousand Tundra light trucks for some steering system defect that caused serious accidents. (Can one imagine the gigantic task?)

Robert Bosch Tool Corp. and the Consumer Product Safety Commission (CPSC) USA recently announced a recall of more than 800,000 Skil-brand power circular saws due to laceration risk.

For the second time this year, toymaker 'Hasbro' has issued a recall for about 1 million Easy-Bake Ovens (children's Gizmo) after receiving complaints that young children were getting their hands or fingers stuck in the oven's opening, causing serious burns.

The U.S. Consumer Product Safety Commission and Hasbro received about 249 complaints of children getting their hands stuck, 77 of them reporting burns.

Cadbury was recently fined \$2 Million in Salmonella case (a Typhoid bacterium and potential bio weapon)

Atico International (USA) recalled about 392,000 coffeemakers sold exclusively at Walgreen because they pose a fire hazard. The manufacturer said it has received 14 reports of electrical failure and six reports in which the coffeemaker ignited. So far, no injuries have been reported. Signature Gourmet and Kitchen Gourmet coffeemakers can ignite due to an electrical failure and may cause a fire.

IBM and computer maker Lenovo announced in September 2006, a recall of 526,000 laptop

batteries worldwide made by Sony Corp. because of a fire risk. The recall affects the lithium-ion batteries found on the ThinkPad Notebook line of laptops, which were sold by both IBM and Lenovo. Sony Corporation also announced it would initiate a global replacement program of the company's lithium-ion batteries but did not provide any details of the program.

In 2006, Dell recalled 4.1 million notebook computer batteries made by Sony because of overheating and fire risks. It was the largest recall in the company's history.

Then, Apple recalled 1.8 million iBook and PowerBook laptop batteries that were also made by Sony.

Maytag Corp. has recalled 636,000 Hoover Self-Propelled Upright Vacuums due to a defective on-off switch, according to the US Consumer Product Safety Commission. The CPSC said Maytag (Research) has received 249 reports of vacuums overheating -- which caused the handle area to smoke, melt or catch fire -- due to the switch problem. One minor burn injury requiring no medical attention was reported.

April 2007: Nestle voluntarily recalled its Caramel Kit Kat Chunky bars and KitKat Cookie Dough Chocolate bars due to some bits of hard plastic being found in it.

Merck & Co. reported its worst annual profit since 1998 after pulling Vioxx off the market late last year and boosted the amount it set aside for lawsuits over the recall of the once popular painkiller (this is sold in India too). Merck added \$604 million in the fourth quarter to the \$71 million it had previously set aside to cover litigation related to Vioxx, the company said. Merck officials also said they believe that losses related to the drug are behind it, news that ignited a rally in the drug maker's beaten-up stock (shares).

Old Navy has agreed to voluntarily recall about 666,000 children's coats and fleece pullovers because the zipper pull could present a choking hazard, the Consumer Product Safety Commission announced Tuesday. The company received 13 reports of the zipper pull detaching. No children have been injured, although there has been one report of the zipper pull being found in a child's mouth, the agency said. The recall involves seven

different styles of outerwear tops, including a fur-trimmed coat, pullover fleece wear and fleece jumpers with a hood. The garments being recalled have a clear, oval-shaped zipper pull and were sold in sizes 6 months to 4T.

Clover is a popular brand of dairy spread in the United Kingdom, produced by the Dairy Crest group. It resembles butterfat but is easier to spread when cold. The brand was launched in 1983 and the company claims that it is used in over 5 million households. It is made near Telford.

Over 2 million tubs of Clover spread were recalled by Dairy Crest in a recall announced on Saturday, 26 May 2007. All Clover spread products of all sizes have been recalled by Dairy Crest and refunds to consumers have been offered on all products with a lid date of 10 August 2007. The recall as announced by Dairy Crest. The cause is the occurrence of an unknown sourced mold (a kind of fungus) in product.

Pfizer recalled Benadryl products to correct labeling error. Pfizer initiated a voluntary recall from store shelves of Benadryl Allergy & Sinus Fastmeltä and Benadryl Children's Allergy/Cold Fastmelt tablets on June 02, 2001.

The Automobile Industry Safety issues are one big reason of product recalls:

FORD cars recalled finally: Two years after his wife of 34 years died in a fire, an Iowa man continues to maintain that the blaze was started by a faulty cruise control switch under the hood of her 1996 Ford F-150 pickup truck -- while it was parked in the garage attached to his home.

Although Ford had denied -- and continues to deny -- the switch started the fire that killed 74-year-old Dolly Mohlis in 2005, The Company settled a lawsuit brought against it by Earl Mohlis. And it issued a recall of an estimated 3.6 million vehicles -- bringing the total recalled over the past decade to more than 10 million -- every single car and truck built with a similar cruise control switch.

The famous General Motors Controversy:

General Motor's model Chevrolet 'Corvaire' was nicknamed 'unsafe at any speed' after Ralph Nader's publication in 1965, the author who fought dangerous battle with GM but ultimately won. He was intimidated to remain silent. Automobiles in fact is one industry that had and has several safety concerns like Tire and suspension designs, gear

shifting system pattern, air bags (introduced in 90s in USA finally), front bumper and crash resistance of its body and chassis. Large numbers of people die in defective design cars, equally poor maintenance and negligence in India and other countries, even USA. The automobile industry being powerful giant have successfully managed to scuttle several such issues for decades. Ralph Nader's contribution in his even named book cannot be undermined.

Peltzman Effect

The impact of the safety regulations that spawned because of the book became the basis of a paper by economist Sam Peltzman. The conclusions of this paper--that the regulations actually caused additional deaths--became known as the Peltzman Effect. Peltzman argued that because regulation made cars safer, getting into an accident became cheaper (it was less risky) and so it happened more. Driver and passenger deaths changed little after the regulations were in place, but pedestrian deaths increased, probably because there was no improvement to car safety with respect to those outside the vehicle.

Peltzman also argued that car safety was already improving, though at a slow rate, since the invention of the car. These improvements tended to be minor but had a huge impact in improving safety (such as a rearview mirror mounted on the outside of the car and automatically canceling turn signals) (Courtesy CNN.com)

Indian Scenario

1. As far as India is concerned, In 1994 Maruti Udyog recalled Maruti 800 cars due to some problem in front axle components which endangered customer safety on road (for axle replacement only, of course). In case of cars it is relatively easy to do that as customers are in finite numbers and their database is available with dealers/company. Maruti incidentally was in a collaborative sector with Suzuki Japan, which now fully owns the company.
2. The MDH (Mahashian Di Hatti Limited) brand name is very well known throughout India. It is an exporter too. The products sold under the brand name include single spices (such as chilli, coriander and turmeric) as well as blended spice mixtures. The Food Standards Agency of UK recently announced withdrawal of MDH Sambar

Masala due to its contamination with Sudan I (an diazo-conjugate dye with a chemical formula of 1-phenylazo-2-naphthol. Sudan I is a powdered substance with an orange-red appearance. The additive is mainly used to colour waxes, oils, petrol, solvents and polishes. Sudan I has also been adopted for colouring various foodstuffs, including particular brands of curry powder and chili powder, although the use of Sudan I in foods is now banned in many countries due to inconclusive reports on its possible health risks. But it still is used as a coloring for cotton refuse used in chemistry experiments.

3. Soft drinks & Pesticides Controversy

A couple of years back there was tremendous rage in India generated due to a Delhi based research lab's report that all MNC and Indian company made soft drinks had pesticides contents far more than internationally accepted standards. The basic cause was contaminated water in India with pesticides used indiscriminately. But that could not give excuse to producers to pass off contaminated drinks.

4. At almost same time came controversial report about worms being found in Cadbury chocolates in Mumbai. It is not known finally what these companies in India (MNCs) did to react to the situation but storm had settled down, but not without long term effects on credibility of soft drinks as safe products, these being banned in most of educational institutes canteens and lacs of bottles were smashed by enraged protestants in various parts of country and debate took a nasty turn for MNCs, their role in Local markets and business ethics. Of course MNCs (foreign MNCs) having big tag brands and international standards are expected to offer better quality products in countries like India and reaction is bound to be more serious when such defects pass on into consumers' hands.

5. Now compare above with our good old Bajaj or Vespa scooters in 1970s that had auto-locking problem of the handle bar steering lock, which caused several accidents. Company kept selling these products for long time before it could solve the problem; forget about recalling product or stopping sales. The same scooter had problem of unbalanced engine mounted on one side from

centre and the poor carburetor design forcing users to tilt the scooter to kick start successfully. In fact this became butt of many jokes and actually a familiar feature to recognize Vespa/Bajaj scooter. Later, the company attempted to introduce a centrally mounted engine after LML, Kanpur (Lohia Machines Ltd) launched latest scooter in India in collaboration with same company in Italy. Bajaj Auto could jolly well take excuse of technology not available or blaming on its collaborator but matter of business ethics and social responsibility do figure in such cases.

This case is illustrated to clarify meaning of product recall. While locking of steering handlebar lock is certainly a case for recall and repair or refund, the other defects were product's poor design qualities, but not case for a recall.

6. The Jodhpur Bar Association has, according to a recent report, disposed only less than 50 cases out of more than 600 complaints received against lawyers for malpractices but let off most of even those who were proceeded against. Same is scene every where be it Delhi, Chandigarh or Chennai. This is case of service product failure and ethical and legal issues involved as far as conduct of noble profession as of a lawyer is concerned and sure needs handling with firm hand. The credibility of lawyers anyway ranks almost to bottom just above salesmen and below advertising professionals (according to a recent survey in USA). But here service defect is issue and control on legal profession. Same applies to fleecing of patients by hospitals (Medical insurance policy has gone costly in India from this month August 2007 by almost 100%). But these are not cases for recall (Source: Rajasthan Patrika 25th august 2007)

Recall have some definite situations where unknowingly or by process failure faulty product or packaging and labeling goes to market or the safety related aspect is known only after product is sold off to consumers and put to use.

Imported goods Issues and laws:

The Food and Drug Administration (USA) says it will, for the first time, test ingredients imported for use in the human food supply in connection with the nationwide pet food recall (Chinese made) that has killed, by some estimates, thousands of pets.

In addition, the FDA announced plans to expand testing of the animal food supply after hogs on farms in three States were quarantined after testing positive for the substance at the center of the recall, the toxic agent melamine. Wheat gluten, corn gluten, corn meal, rice bran and rice protein are among the imported products being tested in both the animal and human food supply.

Several incidents of Chinese made goods in USA may give serious beating to leadership position to China as manufacturing hub. A Chinese delegation is on way to USA to discuss food and product safety issues.

So, Do all countries need some police or investigating agency to watch imported goods? But what about out plethora of inspecting agencies in India about product and health safety and several Acts enacted nationally and internationally? We will just see below what legal actions GOI has taken for imports.

The logistics of recalls

Whatever the term one may use, replacing a product highlights one aspect of the supply chain called "reverse logistics", which simply means the product distribution process is traced backward from the consumer to the manufacturer and obviously more painful than normal distribution forward.

In Nokia's case, Kishore says: "Our networking logistics is good, as Nokia has a good penetration in India. However, we have tied up with several courier services so that customers get products in time. The maximum time taken for delivery will be 10 days."

In India, players like DHL India use 'reverse logistics' solutions for returns and parts management. AFL Chief Executive (Logistics), V V Rao, said Indian companies are increasingly looking at the reverse logistics business, though it isn't considered profitable. Indian players are now setting up distribution centers and warehouses for this purpose. For instance, AFL, which handles transportation for Ericsson, is taking the help of its service centre.

In the US alone, the cost is an annual \$100 billion. Third Party Logistics (3PL) providers (firms that provide outsourced or 'third party' logistics services to companies) see that up to 7 per cent of an

enterprise's gross sales are captured by return costs.

Almost all reverse logistics contracts are customized. The 3PLs realize anywhere between 12-15 per cent of the profits on this business.

Another technology that helps with traceability is radio frequency identification (RFID) chips. Under implementation by Wal-Mart but being a disputed action whether it will benefit them at such exorbitant cost.

Role of media is very important besides NGOs and consumer safety organizations; and of course Consumer Forums set up under COPRA.

"With consumer safety and brand perception on the line, timely action and customer convenience are of the utmost importance," says Bill Razzouk, CEO of Newgistics.

Once a company has developed the product recall message in conjunction with the Consumer Products Safety Commission (CPSC), Newgistics works closely with the company to deliver customized recall information to impacted consumers via email or postcard communication.

Developers at Infosys' .NET Centre of Excellence (COE) have developed two proof-of-concept applications for the Retailing and Financial service industries. These are the Order processing and Product Recall application and the 'Straight-Through-Processing' product.

The Order processing and Product Recall application leverages Web services, mobile devices and seamless multi-channel integration. It showcases the benefits of data synchronization, automation of key business processes and perishable foods retail value chain integration in driving business efficiencies and customer satisfaction.

Plan for avoiding recall in Pharma products-an example:

Pharmaceutical giant GlaxoSmithKline is all set to introduce its new drug across multiple geographies. For a company with significant product line proliferation like GSK, the regulatory compliance aspect of packaging and labeling for specific geography can become a significant cost as well as a potential liability. Even an insignificant artwork error could easily force a product recall. For the

statistically minded, each recall typically costs between \$1 million and \$4 million, and it is said that in large pharmaceutical companies there may be 20,000 artwork changes per year on packages. At Nipuna Services' artwork facility in Hyderabad, a bunch of employees elaborate on dosage, schedule, composition and other information on GSK's medicine packs.

Product recall and Product Liability:

Insurance cover is one such action for companies for product liabilities. Here is an example of a policy offered by ICICI Lombard (India).

ICICI Lombard-Product liability Insurance-What it has to say?

Safety and reliability of products are an important concern to consumers, sellers & manufacturers. Faulty products can be hazardous for the consumers' health & property. The manufacturer/seller of faulty product could be held liable for such damages, exposing themselves to financial losses.

Product liability insurance protects the companies exposed to above risk by financially assisting policyholders in such situations. (Code: Misc 15).

Scope of cover:

This Policy broadly covers:

Legal liability of the Insured towards damages to the third party arising due to faulty products manufactured / sold by the insured, liability with respect to:

- * Accidental death
- * Bodily injury or disease
- * Loss or damage to property

Legal costs and expenses incurred with the prior consent of the Insurer and within the limit of indemnity.

Significant Exclusions:

This Policy does not cover liability arising out of or in connection with:

- * Product efficacy * Product recall * Product guarantee * Pure financial loss
- * Terrorism, war & SRCC * Any professional services deficiency
- * Personal injuries such as libel, slander * Fines, penalties and punitive or exemplary damages.

(Tata-AIG has also come out with product contamination liability policy).

Indian Laws: Food Safety and Standards Act:

Let's look at some hazards stories in food and medicines:

Food-borne illnesses are present in all parts of the world, and extract an enormous toll in terms of human suffering. Contaminated food contributes 1.5 billion cases of diarrhea in children each year, which means more than 3 million premature deaths, according to the World Health Organization (WHO). Accidental or intentional adulteration of food by toxic substances can also result in serious public health incidents. In 1981-82, in Spain, contaminated rapeseed oil killed more than 2000 people and caused disabling injuries to another 20,000. In China, in 2002 more than 200 children were sickened and 38 died when rat poison was used to intentionally contaminate bakery products. Mustard oil contamination killed 60 and sickened 300 people in India in 1998.

Therefore legislation providing for food safety assumes great national importance and must be framed with due care. Constitution principles, especially those protecting the right to life, must not be contravened.

The health hazard aspect of food legislation should not eclipse other rationale behind it. Significantly, it affects livelihoods.

More than 70% of Indians depend on agriculture (which also accounts for 35% of India's GDP).

The small scale operators or the 'unorganized sector' which is directly affected by it accounts for 48% of the Indian food processing industry by one estimate.

The Confederation of Indian Industry (CII) has estimated that the food processing sector employs 9 million persons.

Food Safety legislation has the power to destroy the livelihood of these persons, who are most often part of the weakest sections of society.

On at least two counts, the Food Safety and Standards Act deserve serious consideration. The Act needs to be examined in relation to the Constitutional spirit, but for that brief introduction about what it seeks to do and how the black letter will find implementation, is necessary.

The new legislation: salient features

The Food Safety and Standards Act is an 'integrated food law,' designed to avoid the previously existing multiplicity of legislation. It replaces all previous laws relating to food.

It creates a specialized bureaucracy to administer its provisions headed by the Food Safety and Standards Authority.

The Act defines food in a broad manner, as "any substance whether processed, partially processed or unprocessed".

The Act applies to both large and small operators defining a food business as "any undertaking, whether for profit or not and whether public or private, carrying out any of the activities related to any stage of manufacture, processing, packaging, storage, transportation, distribution of food or import" of food.

The penalties provided are mostly in the nature of fines and trial by special courts in case of serious offences.

The Act contains a provision under Section 69 (power to compound offences), which empowers Designated Officers to impose a fine of up to Rs 1 lakh on petty manufacturers, hawkers, retailers etc. if they have a "reasonable belief" that an offence has been committed.

There is provision for compulsory registration for every food retailer, hawker, itinerant vendor and temporary stallholder under regulations made by the Act.

Country has been divided under 5 Zones with HO at Delhi.

Consumer Protection Act India (COPRA) enacted in 1986 -provides faster relief to customer by envisaging summary presentations before the Forum, deficiency in service clause, defective product return or refund, right to information and customer education on consumer rights.

The three tier system is at District level, State appeal level and then National Commission.

It is fast legislation in separate courts established and has empowered customers quite a lot. Recent amendments have given powers to Forum President to arrest the defaulting supplier to its award. Several NGOs are active in India as also consumer websites.

On Imports safety: Government has amended laws to enforce discipline in liberalized import regime under IMPEX policy and also to keep a check vis a vis other legislating countries

An excerpt from one such notification:

MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
NOTIFICATION NO.-44, (RE-2000)/1997-2002
NEW DELHI: 24TH NOVEMBER, 2000

2. The following shall be added after paragraph 4 of Chapter 1A: General notes regarding import policy, of ITC (HS) Classifications of Export and Import Items, 1997-2002:

4. All such packaged products, which are subject to provisions of the Standards of Weights and Measures (Packaged Commodities) Rules, 1977 when produced/packed/sold in domestic market, shall be subject to compliance of all the provisions of the said rules, when imported into India. The compliance of these shall be ensured before the import consignment of such commodities is cleared by Customs for home consumption. All prepackaged commodities, imported into India, shall in particular carry the following declarations:

- (a) Name and address of the importer;
- (b) Generic or common name of the commodity packed;
- (c) Net quantity in terms of standard unit of weights and measures. If the net quantity in the imported package is given in any other unit, its equivalent in terms of standard units shall be declared by the importer;
- (d) Month and year of packing in which the commodity is manufactured or packed or imported;
- (e) Maximum retail sale price at which the commodity in packaged form may be sold to the ultimate consumer. This price shall include all taxes local or otherwise, freight, transport charges, commission payable to dealers and all charges towards advertising, delivery, packing, forwarding and the like as the case may be.

5. A new Appendix V to Schedule 1 of ITC (HS) Classifications of Export and Import Items, 1997-2002, shall annexed as per annexure 'A' of this Notification. (131 items existed as on date of notification)

6. Import of all the products as per Appendix V to Schedule 1 of the ITC (IIS) Classifications of Export and Import Items 1997-2002, shall be subject to compliance of the mandatory Indian Quality Standards as mentioned in column 2 of the said Annexure, which are also applicable to domestic goods. For compliance of this requirement, all manufacturers/exporters of these products to India shall be required to register themselves with Bureau of Indian Standards (BIS)."

This is issued in Public Interest.

RFID technology : For traceability and better handling of products in stores and supply chain

Pantaloon's experiment with RFID

Pantaloon's RFID pilot project is helping the company save time and improve the accuracy of merchandise movement, writes Vinutha V.

Pantaloon went in for RFID for its simplicity of tagging, efficacy of use, product buffering, ability to keep track of over-produced items, and ability to monitor product-line lead time at the warehouse and fast-moving product-lines. The company selected a few lines of apparel, primarily shirts and trousers, for its RFID pilot. The RFID application developed by Wipro Infotech was tailored to the overall solution in line with Pantaloon's business processes and IT landscape (from the factory outward to the warehouse inward and from the warehouse outward) in order to capture real-time data. The application is integrated with Oracle database 10g and middleware along with an implementation of the RFID hardware. It integrates with the existing IT infrastructure, the in-house developed Retail Enterprise Manager (a special variety of ERP package). The main objective was to smoothen the entire product lifecycle, introduce item-level tagging for identification, and track the entire RFID roadmap with Pantaloon. The piloting was also to do an RFID feasibility study for additional uses.

At the factory outlet, RFID tags were attached to the merchandise and the data written to them. When the RFID-tagged merchandise comes through the inward gate, all related information such as purchase and delivery orders will be fed in the inward terminals in real-time. After correlating the requirements of specific outlets with the

merchandise in the warehouse, the items allocated for different outlets will be transported. The tags are removed once the RFID-tagged goods pass through the outward terminal.

Efficiency and accuracy: After the RFID implementation, the time saved on the same is about 80 percent in inward warehouse processing and 12 percent in outward. Real-time visibility of items during all stages of the supply chain improved to 98 percent.

Pantaloon now aims to extend the application to production routing and scheduling, product recall and returns, and real-time data for category managers for effective forecasting. "We expect that the RFID application will further help us to improve the shopping experience, store layout and any inventory situation. Going forward, we see the use of RFID technology to improve collaboration across our supply chain right up to the point of sale," remarks Deshpande.

National Accreditation Board for Certification Bodies

Clause 4.39: Where certification is suspended rather than withdrawn; the certification body shall require that, during the period of suspension, the supplier makes no misleading claims as to the status of certification, and ceases to use the certification mark on the products manufactured since the date of notification of suspension. If relevant, the certification body may require in addition: -

That no certified product is placed upon the market; that potentially defective certified product is subject to corrective action, including product recall where appropriate.

Traceability: Key issue

Traceability has been defined by the International Organization for Standardization (ISO 8402) as the "ability to trace the history, application or location of any entity by means of recorded identification".

Traceability is closely linked with product identification. It may relate to:

the origin of materials and parts (food products and ingredients); the product processing history; the distribution and location of the product after delivery.

The matter of traceability has been raised in various Codex Committees and Task Forces, including Codex Committee on Food Import and

Export Certification Systems, Food Hygiene, Food Labeling, Food Additives and Contaminants, Committee on Fish and Fishery Products, Task Forces on Animal Feeding and Foods Derived from Biotechnology.

The concept of "traceability" has already been included in many Codex texts and is linked to product identification and recall procedures. Codex texts do not currently apply traceability to the origin of foods and ingredients with the exception of the Country of Origin provisions of the General Standard for the Labelling of Pre-packaged Foods and the Guidelines for the Production, Processing, Labelling and Marketing of Organically Produced Foods: Source: Codex India (Ministry of health and Family welfare)

Conclusions

Product recalls are widely spread across various industries from medicines to food products to automobile to household gadgets. The recalls often indicate poor product design and quality assurance failure in company when processes are go occasionally out of control or in some situation recalls can take place when some outsourced vendor makes mistakes or product was not tested enough by company and launched in market. Product recall does not have anything to do with normal manufacturers warranty processes. Recalls take place when large number of consumer's safety is at risk in any manner or major flaw takes place in product contents or labels.

The strong government participation, consumer movement and tough legislations are driving forces behind several product recalls by famous companies and brands who can't afford to risk serious financial beating in costly litigations and awards and loss of goodwill in market. Faster and low-profile is the recall, the better for company and cheaper. Reverse

logistics have to be built in distribution plans for possible recalls. Product identification and traceability concerns are being tackled by companies with latest technologies and also by State and quality enforcement bodies as described above.

Like Disaster management-Companies should have express plan for possible product recall. For automobiles the exercise is quite expensive and cumbersome besides drugs and food products.

Insufficient supply chain visibility effects planning reliability in the automotive industry. According to A.T. Kearney, supply chain inefficiencies can waste up to 25 percent of a company's operating costs.

A well-known example is the recall of 14.4 million Firestone tires in 2000. The recall caused Ford a loss of approx. \$ 2.6 billion. Being able to say exactly on what cars the tires are used would have made the recall faster, more precise and more "silent". Most recall actions are less spectacular, but the cumulative effect is still significant. In 2000, for example, 94 recalls were registered in Germany (Source: Auto-Id).

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Australia bans China-made toy on toxic drug risk | International | Reuters

Telecom Sector in India - Yesterday and Today

Rakesh Kumar Sharma, Senior Lecturer of Management
R.K. Yadav, Senior Lecturer of Management, Ansal Institute of Technology, Gurgaon

Abstract

This paper examines the growth Pattern of telecommunication sector in India from pre deregulated economy times to the current in the light of technical and infra structural growth in this segment and also envisages the future platform o which this industry is poised for.

The telegraph act of 1885 governed the telecommunications sector. Under this act, the government was in-charge of policymaking and provision of services . Major changes in telecommunications in India began in the 1980s. Under the Seventh Plan (1985-90), 3.6 percent of total outlay set aside for communications and since 1991, more than 5.5 percent is spent on it (Figure 1). The initial phase of telecom reforms began in 1984 with the creation of Center for Department of Telematics (C-DOT) for developing indigenous technologies and private manufacturing of customer premise equipment. Soon after, the Mahanagar Telephone Nigam Limited (MTNL) and Videsh Sanchar Nigam Limited (VSNL) were set up in 1986. The Telecom Commission was established in 1989.

When telecom reforms were initiated in 1994, there were three incumbents in the fixed service sector, namely DoT (Department of Telecom), MTNL and VSNL. Of these, DoT operated in all parts of the country except Delhi and Mumbai. MTNL operated in Delhi and Mumbai and VSNL provided international telephony.

Given its all-India presence and policy-making powers, the DoT enjoyed a monopoly in the telecom sector prior to the major telecom reforms. However, subsequent to the second phase of reforms in 1999, which included restructuring the DoT to ensure a level playing field among private operators and the incumbent, the service-providing sector of DoT was split up and called Department of Telecom Services (DTS). DTS was later

corporatized and renamed Bharat Sanchar Nigam Limited (BSNL). This meant separation of the incumbent service provider from the policy-maker. Broadly, DoT is now responsible for policy-making, licensing and promotion of private investments in both telecom equipment and manufacture and provision of telecom services. BSNL, a corporate body, is responsible for the provision of services.

A crucial aspect of the institutional reform of the Indian telecom sector was setting up of an independent regulatory body in 1997 - the Telecom Regulatory Authority of India (TRAI), to assure investors that the sector would be regulated in a balanced and fair manner. TRAI has been vested with powers to ensure its independence from the government. The government has retained the licensing function with itself. The main issue with respect to licensing has not been whether it should be with the regulator but that the terms and conditions of licensing should involve consultations with TRAI to ensure transparency in the bidding process Some of the main functions of TRAI include fixing tariffs for telecom services, dispute-settlement between service providers, protecting consumers through monitoring of service quality and ensuring compliance to license conditions, setting service targets and pricing policy for all operators and service providers.

Further changes in the regulatory system took place with the TRAI Act of 2000 that aimed at restoring functional clarity and improving regulatory quality. TRAI can frame regulations and can levy fees and charges for telecom services as deemed necessary. The regulatory body also has a separate fund (called the TRAI General Fund) to facilitate its functioning. To fairly adjudicate any dispute between licensor and licensee, between service provider, between service provider and a group of consumers, a separate disputes settlement body was set up called Telecom Disputes Settlement and Appellate Tribunal (TDSAT).

Telecommunications is the transmission of data and information between computers using a communications link such as a standard telephone line. Typically, a basic telecommunications system would consist of a computer or terminal on each end, communication equipment for sending and receiving data, and a communication channel connecting the two users. Appropriate communications software is also necessary to manage the transmission of data between computers. Some applications that rely on this communications technology include the following:

Electronic mail (e-mail) is a message transmitted from one person to another through computerized channels. Both the sender and receiver must have access to on-line services if they are not connected to the same network. E-mail is now one of the most frequently used types of telecommunication.

Facsimile (fax) equipment transmits a digitized exact image of a document over telephone lines. At the receiving end, the fax machine converts the digitized data back into its original form.

Voice mail is similar to an answering machine in that it permits a caller to leave a voice message in a voice mailbox. Messages are digitized so the caller's message can be stored on a disk.

Videoconferencing involves the use of computers, television cameras, and communications software and equipment. This equipment makes it possible to conduct electronic meetings while the participants are at different locations.

The Internet is a continuously evolving global network of computer networks that facilitates access to information on thousands of topics. The Internet is utilized by millions of people daily.

Actually, telecommunications is not a new concept. It began in the mid-1800s with the telegraph, whereby sounds were translated manually into words; then the telephone, developed in 1876, transmitted voices; and then the teletypewriter, developed in the early 1900s, was able to transmit the written word.

Since the 1960s, telecommunications development has been rapid and wide reaching. The development of dial modem technology accelerated the rate

during the 1980s. Facsimile transmission also enjoyed rapid growth during this time. The 1990s have seen the greatest advancement in telecommunications. It is predicted that computing performance will double every eighteen months. In addition, it has been estimated that the power of the computer has doubled thirty-two times since World War II (With row, 1997). The rate of advancement in computer technology shows no signs of slowing. To illustrate the computer's rapid growth, Ronald Brown, former U.S. secretary of commerce, reported that only fifty thousand computers existed in the world in 1975, whereas, by 1995, it was estimated that more than fifty thousand computers were sold every ten hours (U.S. Department of Commerce, 1995).

Deregulation and new technology have created increased competition and widened the range of network services available throughout the world. This increase in telecommunication capabilities allows businesses to benefit from the information revolution in numerous ways, such as streamlining their inventories, increasing productivity, and identifying new markets. In the following sections, the technology of modern telecommunications will be discussed.

Progress of reforms

a. Private Participation in Telecom - For the provision of basic services, the entire country was divided into 21 telecom circles, excluding Delhi and Mumbai (Singh et. al. 1999). With telecom markets opened to competition, DoT and MTNL were joined by private operators but not in all parts of the country. By mid-2001, all six of the private operators in the basic segment had started operating (Table 1). Table 2 shows the number of village public telephones issued by private licensees by 2002.

After a recent licensing exercise in 2002, there exists competition in most service areas. However, the market is still dominated by the incumbent. In December 2002, the private sector provided approximately 10 million telephones in fixed, WLL (Wireless Local Loop) and cellular lines compared to 0.88 million cellular lines in March 1998 (DoT Annual Report, 2002). 72 per cent of the total private investment in telecom has been in cellular mobile services followed by 22 per cent in basic

services. After the recent changes, the stage is now set for greater competition in most service areas for cellular mobile. Over time, the rise in coverage of cellular mobile will imply increased competition even for the basic service market because of competition among basic and cellular mobile services.

b. Teledensity and Village Public Phones (VPTs) - India's rapid population increase coupled with its progress in telecom provision has landed India's telephone network in the sixth position in the world and second in Asia (ITU). The much publicized statistic about telecom development in India is that in the last five years, the lines added for basic services is 1.5 times those added in the last five decades! The annual growth rate for basic services has been 22 percent and over 100 percent for internet and cellular services. As Dossani (2002) argues, the comparison of teledensity of India with other regions of the world should be made keeping in mind the affordability issues. Assuming households have a per capita income of \$350 and are willing to spend 7 percent of that total income on communications, then only about 1.6 percent of households will be able to afford \$30 (for a \$1000 investment per line).

Teledensity has risen to 4.9 phones per 100 persons in India compared to the average 7.3 mainlines per 100 people around the world. Figure 2 shows the growth rate of fixed and cellular mobile subscription between 1998 and 2002. Although, the coverage is still much higher in urban areas - 13.7 in urban areas compared to 1.4 in rural areas, the government has made efforts to connect villages through village public telephones (VPT) and Direct Exchange Lines (DEL). This coverage increased from 4.6 lakhs in March 2002 to 5.10 lakhs in December 2002 for VPT and from 90.1 lakhs in March to 106.6 lakhs in December 2002 for DELs. BSNL has been mainly responsible for providing VPTs; more than 84 percent of the villages were connected by 503610 VPTs with private sector also providing 7123 VPTs .

The overall telecom growth rate is likely to be high for some years, given the increase in demand as income levels rise and as the share of services in overall GDP increases. The growth rate will be even higher due to the price decrease resulting from a reduction in cost of providing telecom services. A

noteworthy feature of the growth rate is the rapid rate at which the subscriber base for cellular mobile has increased in the last few years of the 1990s, which is not surprising in view of the relatively lower subscriber base for cellular mobile.

c. Foreign Participation - India has opened its telecom sector to foreign investors up to 100 percent holding in manufacturing of telecom equipment, internet services, and infrastructure providers (e-mail and voice mail), 74 percent in radio-paging services, internet (international gateways) and 49 percent in national long distance, basic telephone, cellular mobile, and other value added services (FICCI, 2003). Since 1991, foreign direct investment (FDI) in the telecom sector is second only to power and oil - 858 FDI proposals were received during 1991-2002 totaling Rs. 56,279 crores (Figure 4) (DoT Annual Report, 2002). Foreign investors have been active participants in telecom reforms even though there was some frustration due to initial dithering by the government. Until now, most of the FDI has come in the cellular mobile sector partly due to the fact that there have been more cellular mobile operators than fixed service operators. For instance, during the period 1991-2001, about 44 percent of the FDI was in cellular mobile and about 8 percent in basic service segment. This total FDI includes the categories of manufacturing and consultancy and holding companies

d. Tariff-setting - An essential ingredient of the transition from a protected market to competition is the alignment of tariffs to cost-recovery prices. In basic telecom for example, pricing of the kind that prevailed in India prior to the reforms, led to a high degree of cross-subsidization and introduced inefficient decision-making by both consumers and service-providers. Traditionally, DoT tariffs cross-subsidized the costs of access (as reflected by rentals) with domestic and international long distance usage charges (Singh et. al. 1999). Therefore, re-balancing of tariffs - reducing tariffs that are above costs and increasing those below costs - was an essential pre-condition to promoting competition among different service providers and efficiency in general.

TRAI issued its first directive regarding tariff-setting following NTP 99 aimed at re-balancing tariffs and

to usher in an era of competitive service provision. Subsequently, it conducted periodic reviews and made changes in the tariff levels, if necessary. Table 4 shows the current level of telephone charges in India effective from January, 2003. Re-balancing led to a reduction in cross-subsidization in the fixed service sector. Cost based pricing, a major departure from the pre-reform scenario, also provides a basis for making subsidies more transparent and better targeted to specific social objectives, e.g. achieving the USO.

e. Service Quality - One of the main reasons for encouraging private participation in the provision of infrastructure rests on its ability to provide superior quality of service. In India, as in many developing countries, low teledensity resulted in great emphasis being laid on rapid expansion often at the cost of quality of service. One of the benefits expected from the private sector's entry into telecom is an improvement in the quality of service to international standards. Armed with financial and technical resources, and greater incentive to make profits, private operators are expected to provide consumers value for their money. Telephone faults per 100 main lines came down to 10.32 and 19.14 in Mumbai and Delhi respectively in 2002-03 compared to 11.72 and 26.6 in 1997-98 (Figures 6 and 7). Quality of service was identified as an important reform agenda and TRAI has devised QOS (Quality of Service) norms that are applicable across the board to all operators (Singh et. al. 1999).

Pre reform period and Telecommunication in India

Before 1990's Telecommunication services in India were complete government Monopoly - the Department of Telecommunication (DoT). Government also retained the rights for manufacturing of Telecommunication equipments. MTNL and VSNL were created in the year 1986. Early 1990's saw initial attempts to attract private investment. Telecommunication equipment manufacturing was delicensed in the year 1991.

A notable revolution has occurred in the telecom sector. In the pre reforms era, this was entirely in the hands of the central government and due to lack of competition, the call charges were quite high. Further, due to lack of funds with the

government, the government could never meet the demand for telephones. In fact, a person seeking a telephone connection had to wait for years before he could get a telephone connection. The service rendered by the government monopoly was also very poor. Wrong billing, telephones lying dead for many days continuously due to slackness on the part of the telecom staff to attend to complaints, cross connections due to faulty / ill maintained telephone lines, obsolete instruments and machinery in the telephone department were the order of the day in the pre reforms era.

Today, there are many players in the telecom sector. The ultimate beneficiary has been the consumer. Prices of services in this sector have fallen drastically.

Telephone connections are today affordable to everyone and are also easily available. Gone are the days, when one had to wait for years to get a telephone connection. The number of telephone connections which was only 2.15 million (fixed lines) in 1981 increased to 5.07 million (fixed lines) in 1991. Today (as in 2003), there are 54.62 million telephone connections of which 41.33 million are fixed line telephone connections, 12.69 million are cellular mobiles and the remaining 0.60 million are WLL telephones¹. Wireless in Local Loop (WLL) telephones and cellular mobile telephones were unknown in India a few years ago. Cell phone charges have come down so much that today one can see even a common man going around with a cell phone in his hand. The private companies are giving various incentives to attract customers, a situation which is entirely opposite to the conditions prevailing in the pre reforms era when one had to wait for years to get a telephone connection.

The first step toward deregulation and beginning of liberalization and private sector participation was the announcement of National Telecom Policy 1994. NTP 1994, for the first time, allowed private/foreign players to enter the 'basic' and the 'new cellular mobile section. FDI up to 49% of total equity was also allowed in these sectors. The policy allowed one private service provider to compete in basic services with the incumbent DoT in each DoT internal circle. It allowed duopoly in cellular mobile services in each circle. As part of the implementation of the NTP 94, licenses were issued

against license fees through a bidding process. This policy initiated the setting up of an independent regulator-the Telecom Regulatory Authority of India (TRAI), which was established in 1997. The main objective of TRAI is to provide an effective regulatory framework to ensure fair competition while, at the same time, protect the interest of the consumers.

Liberalization and reforms in Telecom sector since early 1990's till date are briefed below:

1991-92:

1. On 24th July 1991, Government announced the New Economic Policy.
2. Telecom Manufacturing Equipment license was delicensed in 1991.
3. Automatic foreign collaboration was permitted with 51 per cent equity by the collaborator.

1992-93:

Value added services were opened for private and foreign players on franchise or license basis. These included cellular mobile phones, radio paging, electronic mail, voice mail, audiotex services, videotex services, data services using VSAT's, and video conferencing.

1994-95:

1. The Government announced a National Telecom Policy 1994 in September 1994. It opened basic telecom services to private participation including foreign investments.
2. Foreign equity participation up to 49 per cent was allowed in basic telecom services, radio paging and cellular mobile. For value added services the foreign equity cap was fixed at 51 per cent.
3. Eight cellular licensees for four metros were finalized.

1996-97:

1. TRAI was set up as an autonomous body to separate the regulatory functions from policy formulations and operational functions.
2. Coverage of the term "infrastructure" expanded to include telecom to enable the sector to avail of fiscal incentives such as tax holiday and concessional duties.

3. An agreement between Department of Telecommunication (DoT) and financial institutions to facilitate funding of cellular and basic telecom projects.
4. External Commercial Borrowing (ECB) limits on telecom projects made flexible with an increased share from 35 per cent to 50 per cent of total project cost.
5. Internet Policy was finalized.

1998-99:

FDI up to 49 per cent of total equity, subject to license, permitted in companies providing Global Mobile Personal Communication (GMPC) by satellite services.

1999-00

1. National Telecom Policy 1999 was announced which allowed multiple fixed Services operators and opened long distance services to private operators.
2. TRAI reconstituted: clear distinction was made between the recommendatory and regulatory functions of the Authority.
3. DOT/MTNL was permitted to start cellular mobile telephone service.
4. To separate service providing functions from policy and licensing functions, Department of Telecom Services was set up.
5. A package for migration from fixed license fee to revenue sharing offered to existing cellular and basic service providers.
6. First phase of re-balancing of tariff structure started. STD and ISD charges were reduced by 23 per cent on an average.
7. Voice and data segment was opened to full competition and foreign ownership increased to 100 per cent from 49 per cent previously.

2000-01:

1. TRAI Act was amended. The Amendment clarified and strengthened the recommendatory power of TRAI, especially with respect to the need and timing of introduction of new services provider, and in terms of licenses to a services provider.

2. Department of Telecom Services and Department of Telecom operations corporatized by creating Bharat Sanchar Nigam Limited.
 3. Domestic long distance services opened up without any restriction on the number of operators.
 4. Second phase of tariff rationalization started with further reductions in the long distance STD rates by an average of 13 per cent for different distance slabs and ISD rates by 17 per cent.
 5. Internet Service Providers were given approval for setting up of International Gateways for Internet using satellite as a medium in March 2000.
 6. In August 2000, private players were allowed to set up international gateways via the submarine cable route.
 7. The termination of monopoly of VSNL in International Long Distance services was antedated to March 31, 2002 from March 31, 2004.
- 2001-02:**
1. Communication Convergence Bill, 2001 was introduced in August 2001.
 2. Competition was introduced in all services segments. TRAI recommended opening up of market to full competition and introduction of new services in the telecom sector. The licensing terms and conditions for Cellular Mobile were simplified to encourage entry for operators in areas without effective competition.
 3. Usage of Voice over Internet Protocol permitted for international telephony service.
 4. The five-year tax holiday and 30 per cent deduction for the next five years available to the telecommunication sector till 31st March 2000 was reintroduced for the units commencing their operations on or before 31st March 2003. These concessions were also extended to internet services providers and broadband networks.
 5. Thirteen ISP's were given clearance for commissioning of international gateways for Internet using satellite medium for 29 gateways.
 6. License conditions for Global Mobile Personal Communications by Satellite finalized in November 2001.
 7. National Long Distance Service was opened up for unrestricted entry with the announcement of guidelines for licensing NLD operators. Four companies were issued Letter of Intent (LOI) for National Long Distance Service of which three licenses have been signed.
 8. The basic services were also opened up for competition. 33 Basic Service licenses (31 private and one each to MTNL and BSNL) were issued up to 31st December 2001.
 9. Four cellular operators, one each in four metros and thirteen were permitted with 17 fresh licenses issued to private companies in September/October 2001. The cell phone providers were given freedom to provide, within their area of operation, all types of mobile services equipment, including circuit and/or package switches that meet the relevant International Telecommunication Union (ITU)/Telecom Engineering Centre (TEC) standards.
 10. Wireless in Local Loop (WLL) was introduced for providing telephone connection in urban, semi-urban and rural areas.
 11. Disinvestment of PSU's in the telecom sector was also undertaken during the year. In February 2002, the disinvestment of VSNL was completed by bringing down the government equity to 26 per cent and the management of the company was transferred to Tata Group, a strategic partner. During the year, HTL was also disinvested.
 12. Government allowed CDMA technology to enter the Indian market.
 13. Reliance, MTNL and Tata were issued licenses to provide the CDMA based services in the country.
 14. TRAI recommended deregulating regulatory intervention in cellular tariffs, which meant that operators need no longer have prior approval of the regulator for implementing tariff plans except under certain conditions.

2002-03

1. International long distance business opened for unrestricted entry.
2. Telephony on internet permitted in April 2002.
3. TRAI finalized the System of Accounting Separation (SAS) providing detailed accounting and financial system to be maintained by telecom service providers.

2003-04

1. Unified Access Service Licenses regime for basic and cellular services was introduced in October 2003. This regime enabled services providers to offer fixed and mobile services under one license. Consequently 27 licenses out of 31 licenses converted to Unified Access Service Licenses.
2. Interconnection Usage Charge regime was introduced with the view of providing termination charge for cellular services and enable introduction of Calling Party Pays regime in voice telephony segment.
3. The Telecommunication Interconnection Usage Charges Regulation 2003 was introduced on 29th October 2003 which covered arrangements among service providers for payment of Interconnection Usage Charges for Telecommunication Services and covered Basic Service that includes WLL (M) services, Cellular Mobile Services, and Long Distance Services (STD/ISD) throughout the territory of India
4. The Universal Service Obligation fund was introduced as a mechanism for transparent cross subsidization of universal access in telecom sector. The fund was to be collected through a 5 per cent levy on the adjusted gross revenue of all telecom operators.
5. Broadcasting notified as Telecommunication services under Section 2(i)(k) of TRAI Act.

2004-05:

1. Budget 2004-05 proposed to lift the ceiling from the existing 49 per cent to 74 per cent as an incentive to the cellular operators to fall in line with the new unified licensing norm.
2. 'Last Mile' linkages permitted in April 2004 within the local area for ISP's for establishing their own last mile to their customers.

3. Indoor use of low power equipments in 2.4 GHz band de-licensed from August 2004.
4. Broadband Policy announced on 14th October 2004. In this policy, broadband had been defined as an "always-on" data connection supporting interactive services including internet access with minimum download speed of 256 kbps per subscriber.
5. The Telecommunications (Broadcasting and Cable Services) Interconnection Regulation 2004 was introduced on 10th December 2004.
6. BSNL and MTNL launched broadband services on 14th January 2005.
7. TRAI announced the reduction of Access Deficit Charge (ADC) by 41 per cent on ISD calls and by 61 per cent on STD calls which were applicable from 1st February 2005.

2005-2006

1. Budget 2005-2006 cleared a hike in FDI ceiling to 74 per cent from the earlier limit of 49 per cent. 100 per cent FDI was permitted in the area of telecom equipment manufacturing and provision of IT enabled services.
2. Annual license fee for National Long Distance (NLD) as well as International Long Distance (ILD) licenses reduced to 6 per cent of Adjusted Gross Revenue (AGR) with effect from 1st January 2006.
3. BSNL and MTNL launched the 'One-India Plan' with effect from 1st March 2006 which enable the customers of BSNL and MTNL to call from one end of India to other at the cost of Rs. 1 per minute, any time of the day to phone.
4. TRAI fixed Ceiling Tariff for International Bandwidth, Ceiling Tariff for higher capacities reduced by about 70 per cent and for lower capacity by 35 per cent.
5. Regulation on Quality of Service of Basic and Cellular Mobile Telephone Services 2005 introduced on 1st July 2005.
6. BSNL announced 33 per cent reduction in call charges for all the countries for international calls.
7. Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulation 2006 introduced on 21st March 2006.

11th plan (2007-2012)

FDI in Telecom sector has increased in recent years with value of 81.62 billion with share of 10% in total inflow during January 2000 to June 2005. This is mainly in telecom services and not in telecom manufacturing sector. Therefore, it is essential to enhance the prospect for inflow of increased funds. The NTP 1999 sought to promote exports of telecom equipments and services. But till date export of telecom equipment remains minimal. Most of the state-of-the-art telecom equipments including mobile phones are imported from abroad. There is thus immense potential for indigenous manufacturing in India. Certain measures like financial packages, formation of a telecom export promotion council, creation of integrated facilities for telecom equipment through SEZ and encouraging overseas vendors to set up facilities in India, are required for making India a hub for telecom equipment manufacturing and attract FDI. The telecom sector has shown robust growth during the past few years. It has also undergone a substantial change in terms of mobile versus fixed phones and public versus private participation. The following table and discussions from the report of the working report on the telecom sector for the 11th plan (2007-2012) will show the growth of telecom sector since 2003:

CONCLUSION

Telecommunications is one of the fastest-growing areas of technology in the world. Because of its

rapid growth, businesses and individuals can access information at electronic speed from almost anywhere in the world. By including telecommunications in their operations, businesses can provide better services and products to their customers. For individuals, telecommunications provides access to worldwide information and services.

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Stress among Bank Employees in India

Prof. Krishnan Nair, S.P. Jain Center of Management Dubai

Abstract

The advent of technological revolution coupled with globalization, privatization policies have dramatically changed the patterns in all sectors especially the banking sector and that has resulted in stress among employees. This study was conducted in Kollam and Ernakulam districts of Kerala and the findings are that there is significant level of stress between the banks in the nationalized sector and the private sector. The stress is found more in nationalized sector and among other things the stress factors are role conflicts, lack of senior level support and role over loads

Introduction

Hans Selye first introduced the concept of stress in to the life science in 1936. He defined stress as "The force, pressure, or strain exerted upon a material object or person which resist these forces and attempt to maintain its original state." Stress is ubiquitous in our society. It has become an integral part of everyday living. Researchers on stress make it clear that, to enter in to the complex area of stress, especially in to the area of occupational stress, is very difficult. Stress is an unavoidable consequence of modern living. With the growth of industries, pressure in the urban areas, quantitative growth in population and various problems in day to day life are some of the reasons for increase in stress. Stress is a condition of strain that has a direct bearing on emotions, thought process and physical conditions of a person. Steers (1981) indicate that, "Occupational stress has become an important topic for study of organisational behaviour for several reasons." 1. Stress has harmful psychological and physiological effects on employees, 2. Stress is a major cause of employee turn over and absenteeism, 3. Stress experienced by one employee can affect the safety of other employees, 4. By controlling dysfunctional stress, individual and organisation can be managed more effectively.

During the past decade, the banking sector had under gone rapid and striking changes like policy

changes due to globalisation and liberalisation, increased competition due to the entrance of more private (corporate) sector banks, downsizing, introduction of new technologies, etc. Due to these changes, the employees in the banking sector is experiencing a high level of stress. The advent of technological revolution in all walks of life coupled with globalisation, privatisation policies has drastically changed conventional patterns in all sectors. The banking sector is of no exemption. The 1990s saw radical policy changes with regarding to fiscal deficit and structural changes in India so as to prepare her to cope with the new economic world order. Globalisation and privatisation led policies compelled the banking sector to reform and adjust to have a competitive edge to cope with multinationals led environment. The advent of technological changes, especially extensive use of computers in the sector has changed the work patterns of the bank employees and has made it inevitable to downsize the work force in the sector. The implications of the above said transformations have affected the social, economical and psychological domains of the bank employees and their relations. Evidence from existing literature states that more than 60% of the bank employees have one or other problem directly or indirectly related to these drastic changes. Along with other sectors the banking sector also leaning towards the policy of appointing contract labours while various compulsive as well as rewarding options such as VRS, etc. All the factors discussed above are prospective attributes to cause occupational stress and related disorders among the employees. Although a lot of studies have been conducted on the psychosocial side of the new policy regime in many sectors, there are only few studies, as far as the banking sector is concerned, while the same sector has been drastically influenced by the new policies.

In this juncture, the present study is undertaken to address specific problems of bank employees related to occupational stress. This throw light in to the pathogenesis of various problems related to

occupational stress among bank employees. The study will be helpful to drawn up further policy on the related fields and act as a secondary data for further research.

Review of Literature

Beehr and Newman (1978) define occupational stress as "A condition arising from the interaction of people and their jobs and characterised by changes within people that force them to deviate from their normal functioning."

Cobb (1975) has the opinion that, "The responsibility load creates severe stress among workers and managers." If the individual manager cannot cope with the increased responsibilities it may lead to several physical and psychological disorders among them. Brook (1973) reported that qualitative changes in the job create adjustmental problem among employees. The interpersonal relationships within the department and between the departments create qualitative difficulties within the organisation to a great extent.

Miles and Perreault (1976) identify four different types of role conflict: 1. Intra-sender role conflict 2. Inter sender role conflict. 3. Person- role conflict; 4. Role over load. The use of role concepts suggests that job related stress is associated with individual, interpersonal, and structural variables (Katz and Kahn, 1978; Whetten, 1978). The presence of supportive peer groups and supportive relationships with super visors are negatively correlated with R.C. (Caplan et al., 1964).

There is evidence that role incumbents with high levels of role ambiguity also respond to their situation with anxiety, depression, physical symptoms, a sense of futility or lower self esteem, lower levels of job involvement and organisational commitment, and perceptions of lower performance on the part of the organisation, of supervisors, and of themselves (Brief and Aldag, 1976; Greene, 1972).

Ivancevich and Matteson (1950) indicate, "Lack of group cohesiveness may explain various physiological and behavioural outcomes in an employ desiring such sticks together." Workplace interpersonal conflicts and negative interpersonal relations are prevalent sources of stress (Dewe, 1993; Lang, 1984; Long et al., 1992), and are

existed with negative mood depression, and symptoms of ill health (Israel et al., 1989; Karasek, Gardell and Lindell, 1987; Snap, 1992).

Lack of participation in the decision making process, lack of effective consultation and communication, unjustified restrictions on behaviour, office politics and no sense of belonging are identified as potential sources of stressors. Lack of participation in work activity is associated with negative psychological mood and behavioural responses, including escapist drinking and heavy smoking (Caplan et al., 1975).

According to French and Caplan (1975), "Pressure of both qualitative and quantitative overload can result in the need to work excessive hours, which is an additional source of stress." Having to work under time pressure in order to meet deadlines is an independent source of stress. Studies shown that stress levels increase as difficult deadlines draw near.

Stress is often developed when an individual is assigned a major responsibility without proper authority and delegation of power. Interpersonal factors such as group cohesiveness, functional dependence, communication frequency, relative authority and organisational distance between the role sender and the focal persons are important topics in organisational behavior (Vansell, Brief, and Schuler).

Stress develops when an individual feels he is not competent to undertake the role assigned to him effectively. The individual feels that he lacks knowledge, skill and training on performing the role (stress, conflict management and counseling, p.283).

Occupational stress is an increasingly important occupational health problem and a significant cause of economic loss. Occupational stress may produce both overt psychological and physiologic disabilities. However it may also cause subtle manifestation of morbidity that can affect personal well-being and productivity (Quick, Murphy, Harrell and Roman, 1992). A job stressed individual is likely to have greater job dissatisfaction, increased absenteeism, increased frequency of drinking and smoking, increase in negative psychological symptoms and reduced aspirations and self esteem (Jack and

Payne, 1980). The use of role concepts suggests that occupational stress is associated with individual, interpersonal and structural variables (Kutz and Kahn, 1978; Whetten, 1978).

Studies on burnout found that, it is related to exhaustion and work over load factors in various organisations (Green and Walkey, 1988; Chermis, 1980; Freudenberger, 1977, 1980). Stress on the job is costly for employers, reflected in lower productivity, reduced motivation and job skills, and increased and accidents.

Because employees spend roughly one third of their lives working in an organisational goal setting, employee mental health is of particular importance. Two people exposed to the same threatening situation may differ substantially in the magnitude and duration of stress responses and stress related health problems might emerge in several contrasting ways both physically and mentally. Some of these variations result from differences in temperament, social resources and the effectiveness of the coping responses that the individual brings to bear on the stressful transaction.

The present study is an attempt to investigate and to compare the level of stress experienced by the employees of the Nationalised and Non-Nationalised banks in the Kottayam and Ernakulam district of Kerala. The study aims to ascertain the level of stress and coping strategies adopted by the bank employees (both Nationalised and Non Nationalised) in the Kottayam district.

Methodology

Population

The population selected for this particular study is employees of Nationalised and Non-Nationalised banks in Kottayam and Ernakulam district of Kerala.

Sampling

The sampling population of this research includes 200 employees of nationalised and non-nationalised bank in Kottayam and Ernakulam district, of Kerala. Out of which, 100 employees from Nationalised and remaining 100 from Non-Nationalised bank. This research followed the systematic random sampling method representative population. The population belongs to an age group of 30-40. Only male population considered in this research.

Tool of data collection

A multi dimensional analysis of job stress and coping patterns of employees is the primary focus of this research. A methodology adopted for this research is given below.

The variables selected for the study are: -

1. Role Conflict
2. Role Overload
3. Role Ambiguity
4. Lack of Group Cohesiveness
5. Feeling of Inequality
6. Lack of Supervisory Support
7. Constraints of Changes, Rules and Regulations
8. Job Difficulty
9. Inadequacy of Role Authority
10. Job Requirements Capability Mismatch

Objective

1. To analyse the level of occupational stress among the Nationalised and Non-nationalised bank employees.

Hypothesis

1. Stress will be higher among Non-nationalise bank employees compared to nationalised bank employees

MAJOR FINDINGS

1. There is significant difference in the level of occupational stress between Nationalised and Non-Nationalised bank employees.
2. Occupational stress is found higher among Non-Nationalized employees compared to Nationalised employees.
3. Among different occupational stress variables Role over load, Role authority Role conflict and Lack of Senior level Support contribute more to the occupational stress among Non-Nationalized employees compared to Nationalised employees.

Discussion

This section incorporates a short discussion, only on the first major four stress factors, widely recognised in this research finding, that in tune with the hypothesis; even though the study found significant difference at all variable selected for the study.

The findings of present research are in line with the hypothesis stated above. The hypothesis stated that Stress will be higher among non nationalized banks compared to nationalized banks. The findings of the present research accept the research hypothesis, as it observed significant difference between the two sectors, in the level of organisational stress. The findings clearly indicate that stress is higher among non-nationalised bank employees compared to nationalise bank employees. The analysis of stress among nationalised and non nationalised bank employees indicates that the in both sectors the Role over load, Role authority, Role conflict and Lack of Senior level Support are the major stressors in this research. The discussion here is in line with the significant variable selected for the study.

The study indicates that the non-nationalised employees have high workload compared to nationalise bank employees. The members feel that the work allotted is taxing to the employees and it is beyond their expertise and limit. Cobb (1975) has the rightly pointed out in the context that "The responsibility load creates severe stress among workers and managers." Member's confidence on his or her own performance expectations and contributions at work are affected because of hurry nature of work. A feeling of incongruity between the skills they have the workload given to them is the factor behind high stress among members in non-nationalised bank.

The study indicates that the non-nationalised bank employees have high role conflict compared to nationalise bank employees. This indicates that a set of expectations applied to the incumbent by the organisation and the role they perform within the organisation is not in congruence with each other. Lower the levels of role clarity members feel at work higher the level of stress. Cooper and Marshall (1978) rightly indicates in this context that indicated that "role conflict exists when an individual in a particular work role is torn by conflicting demands or doing things he or she really does not want to-do or does not think our part of job satisfaction". In the turbulent competition status of in banking sector existence is the factor than maintenance. Members have to work under

pressure, to compete with other non-nationalised banks. Member having different work skill and expertise also have to tune their work in accordance with the demand. Here the chances of role conflict and its impact will be higher. McGrath (1970), rightfully pointed out that " stress is a substantial imbalance between the environmental demand and the response capability of the focal organism." The finding of Lazarus and Folkman (1980), also substantiate the discussion that stress will generate among human beings where a particular relationship between the person and the environment, that is appraised by the person as taxing or exceeding his her resources and endangering his/her well being." The situation of non-nationalised bank employees is similar to the above-mentioned findings of eminent researchers. Where there is high uncertainty about their nature of work, develop high job stress among members.

The study indicates that the non-nationalized bank employees have high ambiguity compared to nationalize bank employees. Higher the ambiguity related to the work and work schedule higher the occupational stress. The role ambiguity results when there low congruity between the expectations of the work behaviour and the scheduled task. There is lack of clarity about what to do, when to do, where to do and how to do. Experimental and longitudinal studies of the effects of role ambiguity reveal that lack of clarity about behavioural expectations causes a great concern with own performance, lower actual and perceived group productivity, less concern or involvement with the group, lower job satisfaction, unfavourable attitudes towards role senders, and increased tension, anxiety, depression, and resentment (Caplan and Jones, 1975). The present research is in line with the above finding that the members of non-nationalised members are facing high role ambiguity at work because of lack of clarity about behavioural expectations on work. Higher the level of ambiguity, higher the level of stress experienced by members at work. Lack of free flow information all across the hierarchical level, is the problem lead to role ambiguity at work. Role ambiguity exists when an individual has inadequate information about his work role.

The study indicates that the non-nationalized bank employees have high feeling towards lack of supervisory support compared to nationalize bank employees. This indicates that the non-nationalized bank employees are not getting adequate support from the superiors in their work accomplishments and dissemination of functional duties. Lower the level of support employees obtained from the organisation higher the level of stress experienced by the employees at work. The superior's contribution to buffer the effect of work stress is found less in this research. Anoop Singh et al. (1991) rightly indicates that "Greater support from supervisors and co-workers in the workplace is strongly associated with greater feeling of well-being and any undermining from their part put the employee under irritability, anxiety, depression, and somatic disorders." Inadequate support given by the superiors and their subordinates contribute considerable stress for employees in non-nationalized bank in this research.

Implications

1. Physical problems and health problems like heart diseases, ulcers, arthritis, increased frequency of drinking and smoking, cardiovascular, gastrointestinal, endocrine and other stress related disorders
2. Psychological and behavioural problems: psychological problems like change of moods, inferiority complex, widespread resentment, reduced aspirations and self esteem, reduced motivation and job skills,
3. Organisational: job dissatisfaction, behavioural problems, production turn over, increased absenteeism, increased accidents, lower productivity,

Recommendations

To alleviate the negative consequences of stress more effort on the part of policy makers, practitioners, and organizational management envisaged. The author, there by making a few effort to suggest some effective measures, that can alleviate the stress of bank employees and leads to their better adjustment within the organisation. They can be detailed as follows:

Program

Stress Management Program

Objective

Organize a Stress Management Program that focuses on different leave categories of employees at all hierarchical level.

Many situational observations of employee employer interaction identified within the organization can lead to stress at work. These include:

Relationships with co-workers

An unsupportive supervisor

Fear towards management

Lack of consultation and communication

Too much interference with employees private, social or family life

Too much or too little to do

Too much pressure, unrealistic deadlines

Work that is too difficult or not demanding enough

Lack of control over the way the work is done

Poor working conditions

Being in the wrong job

Feeling undervalued

Feeling Job difficulty

Insecurity and the threat of unemployment

Organize Stress Management training programs' with specific human resource development goals in consultation with Senior Management.

Prerequisites

A successful Stress Management training programs' requires the involvement and support of top officials and the cooperation from employees. It depends upon a clear plan, ongoing evaluations of progress, and clear goals for measuring success.

Stress management Strategies

1. Take adequate steps to redesign jobs, which are taxing to employees' abilities and capacities.
2. To reduce the workload role slimming and role adjustment process should be resorted to.
3. Encourage the cross-functional and interdepartmental work arrangements to reduce work related stress among low performers and low achievers.

4. Facilitate role enlargement, role linkage and role enrichment to manage role isolation, self-role distance and role erosion.
5. Adequate role clarification to be made whenever necessary to eliminate role ambiguity.
6. Introduce more job oriented training programs, which improve employees skill and their confidence to work effectively.
7. Do concentrate on career planning to manage role stagnation.
8. Encourage open channel of communication to deal work related stress.
9. Let the employee clear about hard work related reward and smart work related reward.
10. Adequate resources i.e., material, technical and human, should be extended to make employee feel safe and secure to perform their work effectively.
11. Undertake stress audit at all levels in the organization to identify stress area improving conditions of job and alleviating job stress.
12. Ensure justified use of grievance handling procedures to win trust and confidence of employees and reduce their anxiety and tension related to job related problems.
13. Encourage involvement of leaders and personnel at various levels in all phases of strategic interventions to ensure successful and long-standing interventions.
14. Formulate HRD interventions and individual stress alleviation program.
15. Introduce 'Pranayam' (Brain Stilling and control of Vital Force) as a holistic managerial strategy to deal with occupational strategy.
16. Provide counseling on work related and personnel problems and support from a team of welfare health and counseling staff.
17. Attractive system of reward and recognition of good work.
18. Ensure an organizational climate with career planning and career growth to ensure further the retention of talented employees.
19. Extend the counseling practices at employee family level including dependents and relatives.
20. Effective follow up should be made to different leave category absentee employees.
21. Organization should organize regular check up and those found suffering from very high stress should be subjected to stress management process.
22. Cut back excessive hours, which directly affect the employee's physical fitness.
23. Develop realistic self-concept among employees that is neither inflated nor deflated.
24. Encourage management to practice proactive approaches rather than reactive approaches as a strategic step.

CONCLUSION

The productivity of the work force is the most decisive factor as far as the success of an organisation is concerned. The productivity in turn is dependant on the psychosocial well being of the employees. In an age of highly dynamic and competitive world, man is exposed to all kinds of stressors that can affect him on all realms of life. The growing importance of interventional strategies is felt more at organisational level. This particular research was intended to study the impact of occupational stress on Nationalized and Non - Nationalized Bank employees. Although certain limitations were met with the study, every effort has been made to make it much comprehensive. The author expects to draw attention from policy makers and men of eminence in the related fields to resume further research.

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Balanced Scorecard - its Manifestations

Prof. R.K. Gupta, Professor of Management & Senior Business Consultant, ICFAI Business school

Abstract

This paper discusses the measurement design of balanced scorecard in terms of stakeholder satisfaction, strategies, process, capabilities and stakeholder contributions. The author concludes that the approach has to be varied and redesigned on situations concerned and markets where one focuses to operate.

Keywords: Business Environment changes in India, Balanced scorecards, Performance Prism, Critical Success Factors, Indian babus (officials).

India's Business Environment- A quick retake/ recapitulation

Indians as usual are very fond of Western theories (The assumption being that whatever is developed, taught and published in West is the best .It is partly true also) and any word from a white academician and now even almond eyed yellow guys is taken as a historical event and gospel. Deep seated inferiority in our professionals and entrepreneurs is deeply rooted in following :>

- * Our forgetting the glorious historical past of Indian arts and crafts and how international trade was conducted by Indian merchants, successfully and impressively (Our global trade share has gone down to 0.8%)
- * Profiteering even up to point of cheating (Some countries like china are no exceptions to this) is main stay of most Indian businessmen, whatever they talk.
- * Bone-less entrepreneurs and employees are highly risk shy and depend on government support for ready-to-eat meal like technology, licenses, permits and subsidies and support (Crutches in fact). We clamor for Level playing field (I never understood the real meaning of this), now whatever that means to Indian businessmen like those big guys calling themselves Bombay club, and FICCI and FIEO and IMC etc.

- * Complete disrespect for knowledge and for service people like professors, technicians, researchers and consultants as everything has only one metric -Profits-cash and surplus and tangibility of goods. Fat returns on investment even if ethics are put aside (A typical Marwari would want Pay- back period of 1.5 to 2 years). No reinvestment as entrepreneurs are very quick in India to divert business funds for personal assets creation and same tendency is seen in rampantly corrupt and arrogant, mafia networked civil servants. They take bribes, steal public money from projects and purchases and misuse everything including cars and office trips to take spouse and family along. Make fraudulent foreign visit of national importance.

- * Corruption alone is costing nation more than 20% in costs AND productivity lost at various stages. India's 30% GNP is being pumped out by this corrupt nexus of businessman-babus and politicians. Thus concentration of wealth in few hands, impoverishment of urban and rural consumers is creating big problem in purchasing power and this is attempted to be met by increasing taxation and free distribution of largesse (Like in USA they have started feeling heat). One of main reason of Indian textile industry going down the drain was this trading mentality of top industrialist of country exception being a few.

- * No interest of Indian industry in Research and creating new things on their own. Copying is easy, less costly and even free. But they are outdone by Chinese, Taiwanese and Koreans in that too.

Now against this backdrop, in 1991 promises was shown to Indians that Liberalization (A new panacea is being imported from west-(Post Uruguay round and Washington Consensus) is a new imported funda (idea) from UK and USA and their allied lobby. This will alleviate all social and economic problems of India. People will become rich, fountains of money will start sprouting from

below the ground in every village and India will turn into heaven and proverbial old Sone Ki Chiriya. So L.P.G process was started. First, the Indian entrepreneurs cried, howled and protested and then quickly learnt the tricks and fell in line once they noticed , there is good and easy money in it. Several clauses of WTO made it easy for MNC entries in India.

MNCs, to operate in India, also needed local partners, particularly in complex and corrupt country like ours. So at high salaries watchdog employees (basically their job is to wag tails for their masters at MNC HQs and keep their money and interests safe in India) were hired at huge salaries as a still cheaper substitute to deputation of their own native experienced executives who would have cost much more and even could have failed in India, where even a police officer has hearing problem unless the disease is treated with color of green back before the eyes.

Thus we as Indians forgot over last 5 centuries of subjugation- our arts, craftsmanship, our business acumen; the way international businesses were run and the Principle of good Public administration ('Arthashastra' by Kautilya) and also forgot to innovate new products and models like in mathematics and other sciences (even powerless planes were created once in India) > Known for its intellectual capital in past history, modern Indian businessmen and government have together failed to take advantage of this genetic treasure of Indians focusing on bribery, exploitation and quick money.

So then Liberalisation process started and consumer hoped that "happy days are here again' and people will get international quality goods, mass produced and delivered in a license Raj free competitive environment. But just opposite has happened. Where is competition in India really? Is consumer able to have access for redress? How complex are consumer forum proceedings? How much time, they would take? The corrupt people in Indian Parliament passed a RTI Act to show people that the Government seriously means business. Actually it is so complex and toothless Act with impotent Information Commissioners in Centre and State that nothing comes out of RTI application except for harassment and indignation. No officer is afraid of

this Act as adequate penalties are not included and what if an officer simply tears off paper from files? In any case there was never any need to enact such an act as Constitution and very model of democracy needs transparency and accountability to citizens of all elected or appointed public servant right up to President of India. They are anyway bound to act and inform on disposal of a grievance. We have separate Ministry also for public grievances. So we passed many Acts including controversial SEZ Act, but left as always all of these loose for poor implementation. Same applies to modern management practices in Indian companies and quality models like Scorecard, EVA, and ISO 9000 and so on. To be framed and showcased in reception hall of CMD office or even PMO.

India is one of few countries where a law abiding consumer cum citizen suffers daily life of indignation, unfairness, cheating and oppression. If LPG (Liberalization, Privatization-which never really happened seriously, and globalization) were a mechanism to bring competition, capacity installation and creativity in country, why prices have not fallen and quality has not gone up in last 15 years except for electronics where Moore's law is operating. As far as customer service attitude is concerned , like typical old British time barking clerks, the service executives and officers in government and private sector both still keep barking on citizens ,show their supremacy wanting best perks and salaries and ignoring complaints and duty . Even in industry they either don't reply at all or give auto-reply and then go to a long sleep till buyer forgets about his or her grievances.

So in this setting, India is undergoing economic and social transformation where 80 % people claim to be called downtrodden and backwards and fight on streets for same. Is not that a national shame? They keep clamoring for government help like our boneless industrialists and businessmen as explained above. As we were always dependent on Sarkar (government) -To design projects for us, provide cheaper (even looted and snatched arable and fertile land from farmers), low cost loans, rescheduling of loan defaults, subsidized raw materials and so on and on and on. Indian entrepreneurs normally are not any better than collecting abnormal profits whatever way these can

be managed. Rest work is to be done by government who foolishly try to run economy and industry fortunes by largesse distribution and tax rate and interest rate manipulation (which are at best short term Quick fixes in economics theory)

So in such an unbalanced economy (where there is no consumer surplus really) and business environment we are going to talk about innovation and balanced score card system.

The prerequisite for any system to succeed is first a balanced mind and balanced character which we as Indians mostly lack right up to the top most industrialists of India (with due apologies)

Western theories Vs Indian systems:

A close scrutiny of some famous management gurus' present and past theories including that from USA and Japan simply show pure commonsense and such many practices were already used in India by spirited entrepreneurs in long past and even today. Take example of Kan Ban and Lean manufacturing- Marwari entrepreneurs have been using this trick indirectly by keeping the feed line a little starved which worked like a good 'fasting' works on human body. The toxins are thrown out. So most of unwanted material and stocked items are hunted out by employees and utilized for production. It also gives them time to experiment for producing good item from bad inputs or intermediary goods and for improving quality systems. Production order was released against confirmed or in-pipeline orders only (except for mass produced commodities like cement).

The Marwari Perta system is one of world's best methods to ensure productivity expressed in terms of finance figures. That is where it lacked as compared to balanced scorecard and Performance pyramid 2 views. But I myself have combined several such methods to produce daily progress reports that gave overview of all critical points of production and operations for productivity metrics and finally the profit in terms of money.

The minute study and short listing of critical processes in business operations and critical factors of success is must for balanced working of an organization.

The 'core competence' model of C K Prehlad and his 'bottom of pyramid' (though an Indian professor

-but now settled in West) are nothing but old wine in new bottle for western economist's consumption as they never saw need for this and with increased industrialization diversification was a tempting alternative . Hindustan Levers and ITC type companies long back attempted penetration in rural untapped markets. They were also involved in societal marketing like distribution of condoms through their network which they did not ostensibly liked much and abandoned.

A large number of Indian entrepreneurs have been using these core competence strategies and have been successful since ages. Many units later died as they diversified frittering away resources and failing to build diversely capable organizations. Thus creating a competent and committed workforce (Not by theory X or Y) and competent organization work force is as crucial as financial projections and planning. But in India most planners are basically accounting clerks influenced by Chartered accountants and Tax avoidance (read planning) advisors. How to manipulate tariffs and government favors.

Western economist never needed to identify potential of lower rung of consumers in society because it did not much existed, simply as the society though capitalist, has to its credit fairly satisfactory distribution of wealth across the citizens, unlike in India or Pakistan. So what Prehlad talks about is simply in context of badly managed developing countries. Anyone knows that with 70 crores people even though spending less than Rs 1000 per year per head make it a market of Rs 700,000 millions or INR 70 Bn which is still just peanuts vis a vis any major country and in global context. So what 'bottom of pyramid' he is talking about and for where? World class facilities cannot be conceived and logistics so easily set up to distribute more than 1000 frequently used commodities and products scattered around in 4000 kms by 3500 km length and breadth of a country with bad roads and railways network, pot holes, road blockades, dust in across over 600,000 villages. It is gigantic task. Talking of pyramid is very easy. Both Indian governments and industrial lobbies have failed to invest in this with, as an indicator, 30-40% fruit and vegetable go waste in India.

It is simple theory of economics that when need arises either buyer finds the seller, or vice versa. Once rural incomes have started rising thanks to

unproductive largesse distributed by our foolish planners and pseudo economic experts, the rural markets have started developing on their own. Here is where huge micro level employment potential lies but is being neglected.

I as marketing executive having traveled from one backward area to other backward areas and Metros all over the country in 70s and 80s realized this power of lower part of pyramid. The point is how sincere are we to tap it and do we need that and can we do it? When even after 16 years of LPG, we are still having suppliers' cartels, supplier monopoly, shortages of basic commodities and unfair trade practices, adulterated goods, with rising prices across the board @ 15-20-% per annum on average. It is alarming and shameful situation. Probably it points to lack of national character.

Indians having not even 2% of indigenous technology content in their manufactured and service sector outputs claim to become superpower, fooling the people (Vote banks) and showing day dreams.

The only advantage India has is poor regulations that allows Multi national companies (Union carbide for example) to spread pollution in the country and the cheap & greedy illiterate labor that is still quite cheap (Even technically qualified skilled labor) and less demanding despite low productivity (1/2 to 1/10th of other countries in various areas). It is also a test laboratory for dangerous and new chemicals and drugs. India has surplus labor market with large number of people not even earning \$1 per day. There are hardly any welfare laws in India existing, in reality, in majority of organized private and almost 100% of unorganized sector; whereas Public sector is full of corruption, low productivity, politicization, and huge expenditures making them unproductive and in competitive.

Huge salaries given by a few MNCs and the entrenched rich IIT and IIM alumni network to their juniors are used as a cover up for lack of employment, exploitation of majority of labor, lack of any protection and welfare laws for labor and dismal condition of unorganized sector labor. Without building infrastructure and preparatory work we move fast and jump queues in areas that benefit like CEOs fixing Rs 10 to 100 Million annual salaries and perks in a country for themselves

where decent living costs only just Rs 50,000 PM in Delhi or Mumbai.

Even, Quality controlling agencies like BIS, AICTE, for example, have miserably failed to monitor quality and prevent exploitation of Employees; exploitation of professionals and teachers, alike. Can you imagine a management Professor getting Rs 20,000 per year- much lesser than starting salary of a fresh MBA pass out and a physics teacher in school getting Rs 4000 PM as against Rs 1.2 crores salary fixed for MD of Maruti Udyog , as an example? And we talk of Great Indian economy, super power and Indian talent? Brain drain is where the Indian talent is going. Indian industry is still not understanding the big mistakes western economies did; trying to exploit and not empower consumers and employees. Capital formation in India is in private domain only and not in national and productive assets. Most of it is in surreptitious form unavailable for productive employment.

So what an organization in India has to face? They need to balance their prejudices and mind sets of profiteering, exploitation and tax evasion first, before balancing of strategic goals?

The unbalanced -Balanced score card:

The Balanced Scorecard is a strategic management (Strategy is a much abused word since last 20 years) and measurement system that links strategic objectives to comprehensive indicators or metrics/ performance criteria).

It recognizes that companies have a tendency to fixate on only a few measurements¹ (In India mainly the figures below the bottom line) - and this blinkers their assessment of how the business is performing overall (With still high protection, political corruption and nexus and cartel forming and short capacities for almost all commodities, does it really matter?). The Balanced Scorecard focuses management attention on a set of other key performance indicators (metrics) to provide an overall view.

The concept was originally created by Robert Kaplan, the Marvin Bower Professor of Leadership Development at Harvard Business School, and David Norton, co-founder of the consulting company Renaissance Solutions. They have written a bestseller The Balanced Scorecard: Translating

Strategy into Action (1996). (The problem with Indians is translation and implementation and not conceiving ideas. We are very fertile planners and day dreamers, otherwise)

(There is very interesting phenomenon going on since last 50 years- Publish or Perish in academic world globally. So same product is edited cut, modified and repacked and new and new jargons are coined by so called academicians and professors of eminence, to prevent from getting perished). Balanced score card is also one such jargon and new concept coming out of competitive research and publishing, though with due regards to its originators.

Kaplan and Norton compared running a company to flying a plane 1. The pilot who relies on a single dial is unlikely to be safe. Pilots must utilize all the information contained in the cockpit. "The complexity of managing an organization today requires that managers be able to view performance in several areas simultaneously," wrote Kaplan and Norton (is that great as finding electrons first time in atomic particles?). "Moreover, by forcing senior managers to consider all the important operational measures together, the Balanced Scorecard can let them see whether improvement in one area may be achieved at the expense of another," they added (Great observations ?).

Kaplan and Norton suggested there are four important elements that need to be balanced.

First, is the "customer perspective". Companies must ask how customers perceive them (Forget this in India). In India seller is the king, a typical government Babu (IAS and such guys) is the king. India has not commissioned consumers and citizen's surveys in various matters including police and other important social and economic organizations.

The second element is "internal perspective." Companies must ask what it is at which they must excel.(How companies will excel when they exploit employees, ill treat them hire an fire, are shy to spend money on training and research-A typical example is technical education in private sector where there is mass scale exploitations of faculty in every respect and almost nil efforts for Research, training and development besides not even half

salaries paid as recommended by UGC/AICTE which itself are not even half as good as they should be- So Indian technical education system including MBAs is collecting junk and demoralized custodians of knowledge- The Professors). Industry institute interaction and focused research is totally missing unlike in west Sham research is going in majority of national organizations and university without any purpose, direction and accountability.

Third is the "innovation and learning perspective". Companies must ask whether they can continue to improve and create value. (This concept of Learning organization and Fifth Principle are unknown and hated words for Indian profit seeking CEOs/Secretaries and top pseudo scientists , except for their own training trips abroad)

Finally, there is the "financial perspective". Companies must ask how they view shareholders. (Most Indian companies view Indian shareholders as outsiders, irritation and only a cost free source of milk (money) like cows are. Keep extracting milk from them. This money is almost free except for public issue expenses- Now a new funda (idea) of price band and liberalization has been started so companies are laughing all the way to bank while new shareholder is robbed (even before he or she become part owner of company) paying up even as much as 25 to 50 times the face value of a new company share which is several times more than its real economic value and profit potential.

By focusing on all four of these dimensions of Balance score Card; companies become driven by their mission rather than by only short-term financial performance. (Unfortunately most of companies, it has been seen have 'missions' that are vague or for mere public consumption or are wrongly exchanged with Vision or both are mixed badly)

These points are not quite enough for a balanced score card success:

Many things more are needed to be measured: Ethics, respect and adequate compensation for employees and their hard work and contribution, social responsibility, Economic value of Assets (as these are not free like promoters view it in India) and environmental degradation and sustained global competitiveness (Michael porter/ Jagdish Seth).

Some academic authors have claimed that over 64% of US companies (Kurtzman, 1997) are using some form of scorecard that uses both financial and non-financial metrics. Over the last many years, large Indian corporate (like TATA Motors) too has started using the Balanced Scorecard. Many more have made a bee line for it and other models like TQM, Poka Yoke, ISO 9000, and HACCP and so on.

While all this is fine in theory what should be important is for me as a CEO is:

1. To minutely breakdown and simulate business processes (BPA) and isolate the ones which are critical success factors and focus to improve these on regular basis by involving people in my company (This is nothing but 'kaizen' concept of Japanese). I have successfully attempted dramatizing and aura building by rejuvenating the drab and boring routine work atmosphere in some companies I worked bringing in startling improvements in rejection rate reduction and productivity increase. This is also a foundation for Total Productive Maintenance or its variants (TPM). Surprisingly resistance came from owners of business and not employees.

2. Identify Critical Ratio/Norms for measurements to ensure productivity and profitability both : For example a Daily Progress Report (now ERP modules are installed) going to CEO can have following compilations:

2.1 Production targets for month/year-Achieved value and its percentage-Conforming /Non conforming

2.2 Daily production of various key items of output as against agreed capacity for the product mix

2.3 Ratios of key inputs and services like (steam consumption for tire vulcanizing in a tier factory) as against agreed norms of productivity.

2.4 Dispatches for the day against daily and monthly goals set and percentage achieved

2.5 Total logistics costs as percentage of agreed monthly cost

2.6 New customer added during the month

2.7 Orders lost during the month from regular customer

2.8 No of customer complaints received and disposed till date in the month and satisfactorily

closed as percentage

2.9 Total Cost of production or gross margin (Perta) on daily and cumulative basis in the week/month

2.10 Interest costs up to the day and percent of agreed monthly cost

2.11 Previous closing average share price and last price and highest in last one year period.

2.12 No. of workers on role in senior, middle, supervisory (frontline) and labor employed as on day and beginning of month

2.13 Cost of employment per unit of production

2.14 Cost of R & D work incurred till last month end.

2.15 Employee turnover at Managerial and non managerial level till last month end (surprisingly in many companies these ratios are widely different for two categories and pint to different HR policies of companies)

2.16 ROI till close of last month (pro rata) agreed value and ROI of first 2 nearest competitors.

2.17 Total outstanding credit in market , percentage of revenue and age (less than 30 and more than 30 days)

2.18 Total raw material, work-in-transit, and supply chain inventory (Finished goods/ SKUs) on the previous day as against agreed targets and industry average. This needs huge involvement of sales force and distributors.

2.19 New products/designs added by the company up to end of previous month.

2.20 Product development projects in hand

I don't see any reason why any good company can't compile these data on daily and if not daily on weekly and monthly basis with all the ERP, MIS and computerized systems in place. If Companies are not geared up for such analyses regularly, they are certainly not mature enough to implement SCORECARD system and will not benefit an iota by doing that. In India, particularly economic structural reforms, improvement of labor laws and deregulation measures and greater accountability of both CEOs of companies as well as Secretaries to

various Governments is necessary. Reckless tax collection like done by Present Finance Minister is to gain a quick step jumping process and will and has already resulted in huge inflation and consequent failure of economy.

In other words and to summarize:

There is need for evolving country specific systems and for making sustainable growth oriented and competitive corporations, the business environment, ethics and business practices identifying critical success factors and critical business process have to be put in place, nurtured and constantly, a great work team is to be developed and then only implementation of concepts like scorecards will yield desired and expected results. You can't make out a champion of a diseased person living in unhealthy environment. So many management theories and formulae have already created a confusing jungle of management literature. Balanced Scorecard is a performance measurement tool although it helps focus managers' attention on strategic issues and the management of the implementation of strategy, it is important to remember that Balanced Scorecard itself has no role in the formation of strategy. Several senior managers, working closely together can have radically different perspectives on business performance.

The Performance Prism 2 theory has five facets like of a Prism surfaces: - The top and bottom facets are Stakeholder Satisfaction and Stakeholder Contribution, respectively. The three other side facets are Strategies, Processes and Capabilities. APPLYING THE PERFORMANCE PRISM TO MEASURES DESIGN:

Five distinct, but logically interlinked, perspectives on performance have been identified together with five key questions for measurement design:

1. Stakeholder Satisfaction - who are the key stakeholders and what do they want and need?
2. Strategies - what strategies (Business policies and action plans) do we have to put in place to satisfy the wants and needs of these key stakeholders?
3. Processes - what critical processes do we require if we are to execute these strategies?

4. Capabilities - what capabilities do we need to operate and enhance these processes?
5. Stakeholder Contribution - what contributions do we require from our stakeholders if we are to maintain and develop these capabilities?

It is thus no accident that the balanced scorecard starts by asking, "What do the shareholders want" (Of course if I care for them). A key reason for strategic failure is that the organization's processes are not aligned with its strategies. Many times none of them is understood or clear to top management or second rung managers and they may different views pointing to poor vertical and horizontal communication in organization. Another important example of stake-holders interest in scorecard design and implementation is aptly explained by this example. Today, Boeing manufactures only three components on a 777. Its reliance on suppliers for components and spares is immense and its exposure, should its suppliers fail to perform, cannot be underestimated.

According to author of this article these concepts are tough to implement and even identify and can work only in specific business environment enabling or disabling factors like for the growth of a sapling in right soil and climatic conditions. The approach has to be varied and redesigned on situation concerned and markets where you focus to operate. But one thing is sure, the customer service of even world class organizations even today is not up to mark and hence implementation of concepts like 'performance prism' and balance scorecards seem to be doubtful and ineffective.

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Gender Based Perceptions of Self and Parents on EI and IQ among MBA Students

*M J Xavier, Dean - TRP School of Management SRM University Kattankulathur
M Nagarani, Professor of OB &HR, SRM University, Kattankulathur, Tamilnadu*

Abstract

The authors examined participants' estimates of own and parental psychometric intelligence (IQ) and emotional intelligence (EI). The authors asked 148 participants (112 men, and 33 women) to estimate their own and their parents' IQ and EI scores on a normal distribution ranging from 55 to 145 points. Data was also obtained on a 30 item trait EI scale developed by Petrides and Furnham (2004) about self and parents. The authors hypothesized that men would give higher IQ but lower EI self-estimates than women and that participants, regardless of gender, would rate their fathers as higher on IQ but lower on EI than their mothers. The results were inconclusive with regard to rating of self on EQ and IQ. However the parent were ratde as predicted by the hypothesis supporting the view that people perceive psychometric intelligence as a primarily masculine attribute in contrast with emotional intelligence, which they perceive as a primarily feminine attribute.

Introduction

Many studies on self-estimates of intelligence have been sparked, mainly by the research of Hogan (1978) and Beloff (1992). The researchers of these studies have focused primarily on gender differences in self-estimated intelligence and, with few exceptions (e.g., Byrd & Stacey, 1993), have shown that men give higher overall IQ self-estimates than do women (Furnham & Fong, 2000; Furnham & Rawles, 1999). These researchers have also shown that this gender difference can be replicated cross-culturally. Studies carried out in Africa (Uganda), the United States (Hawaii), East Asia (China, Japan, and Singapore), and Europe (Belgium, Britain, and Slovakia) have nearly all shown male hubris and/or female humility effects (Furnham, Fong, & Martin, 1999; Furnham,

Rakow, Sarmany-Schiller, & De Fruyt, 1999; Zhang & Gong, 2001).

Researchers have also found that gender differences in estimated IQ are often a function of the method of derivation of the overall score. Male-favoring differences tend to occur when researchers ask participants to give a direct self-estimate of overall IQ, but not when researchers derive an overall score through summing up (or averaging) separate estimates on constituent IQ facets (e.g., verbal, mathematical, and similar factors; Furnham, 2000; Furnham, Clark, et al., 1999).

Petrides et al (2004) have extended their study to gender differences in Emotional Intelligence (EI) to validate the general perception that women would make higher EI self-estimates than would men, in contrast to the expectation of the male-favoring difference observed on IQ self-estimates. They examined participants' estimates of own and parental psychometric intelligence (IQ) and emotional intelligence (EI). The authors hypothesized that men would give higher IQ but lower EI self-estimates than women and that participants, regardless of gender, would rate their fathers as higher on IQ but lower on EI than their mothers. The results confirmed the hypotheses, supporting the view that people perceive psychometric intelligence as a primarily masculine attribute in contrast with emotional intelligence, which they perceive as a primarily feminine attribute. The results also showed that the intensity of the stereotypical perception of EI as a feminine attribute diminished when the authors asked participants to estimate their scores on a range of specific EI facets instead of providing a direct overall self-estimate.

In the Indian context Singh (2007) has carried out a study linking emotional intelligence to leadership

in software. Katyal and Awasthi (2005) conducted a study among school students and found that the girls scored marginally higher than boys in terms of emotional intelligence. To the best of the knowledge of the researchers, no study in India has addressed the issue of perceptual differences in EQ and IQ based on genders. The current research attempts to fill this gap.

Hypothesis:

We evaluated the following six hypotheses in this study.

Hypothesis 1: Men would have higher IQ self-estimates than women.

But we also hypothesized the following:

Hypothesis 2: Men would have lower EI self-estimates than women.

Thus, results fulfilling Hypothesis 1 and Hypothesis 2 would provide evidence for the view that people's perceptions of intelligence (IQ in a limited sense) tend to be male normative, whereas their perceptions of EI tend to be female normative.

In the present study, we looked not only at self-estimates but also at estimates of the IQ and EI of participants' parents. The investigation of estimates of parents' abilities and traits is important, especially in relation to gender differences, for two reasons. First, people's estimates of their parents' intelligence enable researchers to determine whether the gender differences are limited to self-estimates of intelligence or whether one can generalize the differences to include others. IQ estimates suggests that the male-favoring difference extends to

estimates of relatives, with fathers and sons being perceived as more intelligent than mothers and daughters, respectively (Furnham, 2001). For EI, the direction of the difference should be opposite, with mothers perceived as more emotionally intelligent than fathers. We hypothesized the following:

Hypothesis 3: Irrespective of gender, participants would rate their fathers as more intelligent than their mothers.

Conversely, we also hypothesized the following:

Hypothesis 4: Irrespective of gender, participants would rate their mothers as more emotionally intelligent than their fathers.

Additionally, in the Indian context, women tend to adore their fathers and consequently are likely to give higher IQ ratings for them. Similarly men tend to see their mothers as an embodiment of love and consequently give higher rating for their mothers on Emotional Intelligence. These lead to the following two hypothesis.

Hypothesis 5: Women would give higher IQ ratings to their fathers than men.

In the case of IQ the roles would get reversed.

Hypothesis 6: Men would give higher EI rating to their mothers than women.

Results:

The participants were from 148 postgraduate students from SRM University (112 male and 33 female students). Their mean age was 22.6 years (SD = 1.3 years). The sample had a good mix of

Table 1

		IQ Psychometric Intelligence			EI (Emotional Intelligence)		
		Self	Father	Mother	Self	Father	Mother
Male	Mean	102.6	106.8	103.3	104.9	102.9	110.1
	SD	14.8	19.8	16.2	10.1	10.2	10.9
Female	Mean	104.4	116.1	107.3	106.4	109.4	115.8
	SD	11.8	17.6	16.0	10.8	11.4	9.5
Total	Mean	103.0	109.0	104.2	105.2	104.2	111.2
	SD	14.1	19.6	16.2	10.2	10.7	10.9

students with representations from large city (28.9%), towns (43.6%) and villages (24.8%). 85% of the respondents were Hindus, 10% Christians and the balance Muslims. More than 60% of the respondents reported a household income of less than Rs. 20,000 per month, 20% reported Rs. 20,000 to Rs. 30,000 per month and the remaining 10% had a household income of more than Rs. 30,000 per month.

We asked the participants to complete a 2-page questionnaire that had been based on previous studies of estimated IQ. The questionnaire required a total of 95 ratings. The first part contained a description of the normal distribution of IQ scores. This included a copy of a bell curve spanning six standard deviations (-3 to +3) and brief descriptions of the anchor scores (e.g., 55 = mild retardation, 100 = average, 145 = gifted). Below that part of the questionnaire, we asked participants to give direct estimates of their own and their parents' overall IQ scores. Subsequently, we asked them to make 30 additional estimates of various statements measuring the trait emotional intelligence, which we had taken from Petrides & Furnham, (2001). We summed up these estimates to derive a second, indirect, overall EI estimate for the participants' self, mother, and father. We allotted participants class time to complete the questionnaire. The response rate approached 100%.

Table 1 shows the male and female means and standard deviations for the direct overall EI estimates for the participants' self, father and mother. Interestingly women rate themselves (104.4) to be marginally better than men (102.6) though the difference is not statistically significant ($t = -.619, df=137, sig=0.268$). As hypothesized, the self rating of women on EI (106.4) is marginally higher than that for men (104.9). However this difference is also not statistically significant ($t = 0.746, df = 137, sig=0.228$). Consequently hypothesis 1 and 2 do not appear to hold good in the Indian context.

Means and Standard Deviations for the Direct Overall IQ and EI Estimates

As regards Hypothesis 3, we can see that the participants have given a higher IQ rating (109.0) to their fathers than mothers (103.3) and the difference is statistically significant ($t = 3.44, df = 133, sig=0.0005$). The difference in the estimated

average EI for mothers (111.2) and fathers (104.2) is statistically significant as assessed using paired sample t-test ($t=8.490, df=120, sig=0.000$). Hence hypothesis 3 and 4 stand proved.

As stated in Hypothesis 5, women have given a higher IQ rating of 116.1 as compared to the rating of 106.8 given by male participants. The difference is also statistically significant ($t=2.384, df=132, sig=0.009$), thus proving Hypothesis 5. However, the expectation that men would give higher EI rating for their mothers has not been established. On the contrary women have given higher EI rating for their mothers too.

We indirectly derived a total score on self-estimated EI by summing up self-estimates on the 30 statements. Similar scores were obtained for their parents are shown in Table - 2

		Derived EI Scores		
		Self	Father	Mother
Male	Mean	135.7	133.3	134.1
	SD	17.4	17.8	16.2
Female	Mean	141.5	147.4	146.1
	SD	21.2	22.1	20.0
Total	Mean	137.0	136.1	136.5
	SD	18.4	19.6	17.6

**Table - 2
Derived EI Scores for Self and Parents**

The overall rating for self and parent do not significantly differ from each other. This is in line with the findings of Petrides, Furnhams and Martin (2004). The difference in the average self rating for male and female participants is not statistically significant. The interesting differences are in the way the males and females rate their parents. Ratings of parents by female participants are significantly higher than that by male participants. The differences are statistically significant too.

Table 3 shows the male and female means and standard deviations for the 4 EI factors derived by Petrides (2006) from the 30 item scale used in this study. The four factors identified were well-being, self-control, emotionality and sociability. The average ratings given for statements that go into each one of the factors are shown in the table.

Factors		Male			Female			Total		
		Self	Father	Mother	Self	Father	Mother	Self	Father	Mother
Well being	Mean	4.98	4.77	0.89	5.27	5.27‡	5.16	5.05±	4.87	4.84
	SD	0.81	0.86	0.89	0.92	0.85	0.83	0.84	0.88	0.89
Self-control	Mean	4.30	4.29	0.70	4.21	4.60	4.42	4.28	4.36	4.33
	SD	0.73	0.79	0.70	0.82	0.95	0.79	0.75	0.83	0.72
Emotionality	Mean	4.37	4.25	0.78	4.60	4.53	4.63	4.42	4.31	4.43
	SD	0.82	0.81	0.78	0.91	0.98	0.84	0.84	0.86	0.80
Sociability	Mean	4.37	4.53	0.77	4.47	4.88‡	4.80‡	4.39	4.61±	4.48
	SD	0.84	0.77	0.77	0.82	1.05	0.90	0.83	0.84	0.82

‡ - significant difference observed using independent sample t-test at 95% or more confidence level.
 ± - significant difference observed using paired sample t-test at 95% or more confidence level

Table 3 : EI Factor Scores

Since a 7-point rating scale was used to rate the items, the average rating too falls in the 1 to 7 range.

The differences in ratings are seen with regard to the factors well-being and sociability. On the well-being factor female participants give higher rating to their fathers than the male participants. On the sociability factor female participants rate their parents (both father and mother) higher than the male participants. On the overall scores, the rating for self is significantly higher than father or mother on the well being dimension. On the sociability dimension, fathers get better rating than self or mother.

Discussion:

As opposed to previous studies (Bennet, 1996; Furnham, Fong, et al., 1999; Furnham, Rakow, et al., 1999, Petrides, Furnhams and Martin, 2004), results of the present study does not support gender differences in directly self-estimated overall IQ and EQ. Current study did not find any statistically significant difference in the self estimated IQ or EI scores of the male and female participants. Indian women, particularly students, do not see them as any different from men in terms of Intelligence and competencies. Both genders rated their fathers as more intelligent than their mothers. Similarly mothers received better EI scores than their fathers. This is in line with the finding in western countries.

In contrast, researchers do not observe a similar difference in overall estimates obtained through summing up (or, equivalently, averaging) constituent items, because these include EI facets in which women are of equal or superior ability. Because researchers give neutral, male-favoring, and female-favoring items equal weights in the summated total score, any differences tend either to cancel out or to be obscure among a number of roughly equivalent estimates. In this context, male hubris and/or female humility effects could operate in a dual fashion: (a) at the overall level by biasing the estimation process towards placing disproportionately high weights on male-favoring EI facets, thus leading to a significant gender difference in overall estimated EI and (b) at the facet level by biasing the process so that any actual female-favoring differences do not fully affect estimated scores.

We also need to enlarge this study to include participants from various walks of life. Additionally we plan to see if gender biases exist between male and female bosses.

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Knowledge Management in SME's

Ankush Sharma, Academic Associate Indian Institute of Management Ahmedabad

Abstract

Knowledge Management provides huge business opportunities that should not be missed and the same is at the infancy level in India and especially at the SME level. In SMEs there is a need for certain customized knowledge Management packages as every enterprises as a thrust area in one or two modules of Knowledge Management. Therefore, a better understanding of the key areas where Knowledge Management should be implemented is a major driving force for implementation of knowledge Management vis a vis companies internal and external environmental analysis

"Life Is Lived Forward But Understood Backwards" Is a well Known saying, But the Implication of this adage will be more prudent In today's competitive world. Organizations are giving more emphasis on each and every type of initiatives which can lead to Increase in productivity vis a vis increase in there market share or in nutshell we can say to differentiate themselves from other. There are tones of data in the organization, The Effective Data management Can lead to More information based for the industry or to be more specific to the knowledge.

Lets Discuss Some thing related to This Specific term. What does one understand about knowledge?? What is knowledge?

Every person can give his own definition About knowledge May Be based On His Or her understanding of knowledge. We will talk in very general term about knowledge.

The Under Standing Of the Subject Or about the concept which an individual have is what knowledge means, Or we can say that right interpretation of information is what knowledge is. But where does this knowledge stay????????? The Answer to this question is a straight forward opinion that is

(MIND ...)..... And from here the concept of knowledge management has come to the picture. Knowledge resides in mind and to tap or to document this knowledge is one the most

Herculean task which an organization is facing in today's competitive world. The Text book definition Of knowledge management goes like this " Knowledge management is a systematic process for creating, acquiring, synthesizing, learning, sharing and using knowledge and experience to achieve organizational goals"

Knowledge management can be explained in one sentence "That is To Tapped the Tacit Knowledge" (Most unspoken Knowledge).

For going ahead on knowledge management let us Sort out the key dimensions of knowledge management which can help us in solving the major challenge ahead of us

Key Dimensions of knowledge Management

Let look On Hay /Mcber iceberg model for giving us insight into this



Managing employee competencies is a key dimension of this, as well as linking corporate knowledge assets that are both codified (written) and personalized (unwritten, social). Hay/McBer, a leading UK management consultancy firm and inventors of competency management, define a managerial competency as an "underlying characteristic of a person that enables them to deliver superior performance in a given job, role or situation."

Their iceberg model (see Figure 1, following page) of managerial competencies places knowledge and skills at the tip, with the underlying yet conscious elements being social role and self-image; traits and motives are at a subconscious level. The social

role reflects values (what you see as important) while the self-image reflects identity (whether you see yourself as an expert). The traits are the habitual behaviors that we recognize in each other while the motives are the thoughts and preferences that drive behavior and satisfaction.

Much theory has been written about knowledge management but there has been limited discussion about its practical benefits and how to implement it and deliver business benefits.

PGS Data Processing has used knowledge as a focal point to give a new perspective and understanding of what is driving the organization forward.

There are two key issues for any knowledge management strategy:

1. Management of explicit information and processes
2. Management of people and the environment in which they work so that tacit knowledge is exchanged more naturally and systematically.

One of the primary reasons why many knowledge management initiatives fail is because too much emphasis has been placed on explicit knowledge and IT solutions.

There are seven levers of knowledge strategy, these are:

- 1 Customer Knowledge: - To survive any organization needs to be a customer focused with a customer relationship that requires a consistent and co-ordinated approach to the market.
- 2 Knowledge in products and services: - Value-added, new state of the art products should be beneficial to clients and command premium prices. Knowledge needs to be developed and captured through the innovation process and then transferred to the wider sales and production processors.
- 3 Knowledge in people: - A culture must be developed where Knowledge is valued and shared. Knowledge must also be Managed so that the right people have the right knowledge in time to support the business by having the competences to use, market and sell the products developed by an in-house R&D division

- 4 Knowledge in processes: - Consistency of quality to global customers requires that different groups perform the same process that the same consistent quality is achieved worldwide. This is a key Objective of the company's current global quality management system.
- 5 Organizational memory: - Retention of lessons learnt: problems solved become more difficult in an organization that has restructured. The organization and systematic storage of practices and project histories is required to avoid resources being wasted to reinvent the wheel.
- 6 Knowledge in relationships: - Boundary spanning across Internal and external relationships must be overcome in a Globally dispersed organization with global customers.
- 7 Knowledge as an asset: - Development of intellectual Capital with KM will require resources which have to be Justified. By measuring intellectual capital and managing

Its development through the KM process, it is possible to Identify the leverage and benefits, and so attract and retain Resources.

There are six dimensions to KM organization:

- (a) Leadership
- (b) Technology
- (c) Culture
- (d) Measurement and process
- (e) Behavior
- (f) Conceptualization

This theoretical paper adopts a conceptual, multi-disciplinary approach. First, knowledge can be stored and transmitted via institutions. Second, knowledge "sub networks" or smaller groupings within larger networks can become key repositories of knowledge. The concept of knowledge "sub networks" needs to be tested against empirical evidence, which should include a cross-national comparison of knowledge-based cities.

Perception Regarding Knowledge Management

There is various perceptions regarding implementation of knowledge management in different organization. We had find out the possibilities of perception of different small and medium enterprise and try to analyse these perception regarding knowledge management and then latter on compared this perceptions with perceptions prevailing in large scale enterprise.

SMALL AND MEDIUM	LARGE SCALE ENTREPRISE
<ul style="list-style-type: none"> • NOT EFFECTIVE VALUE FOR MONEY • CHANGE IN ORGANIZATION CULTURE • DOWNSIZING • HUGE INFRASTRUCTURE NEEDED • INVESTMENT COST HIGH • LESS IMPACT ON PRODUCTIVITY 	<ul style="list-style-type: none"> • VALUE FOR MONEY • ENHANCE ORGANIZATION CULTURE • LEARNING ENVIRONMENT FOR EMPLOYEES • DATA RETRIEVAL EASY • ROI VERY SOON • PRODUCTIVITY ENHANCEMENT EVEN IN SMALL SHOP FLOOR

On the basis of focus group discussion and detail understanding of knowledge management following reference can be drawn as comparison to large organization

To extract insights from in-depth discussions on issues related to implementation of KM in SME's.

As We had used qualitative research techniques as focus group discussion with respect to implementation of knowledge management in small and medium enterprise vis a vis to implementation in large enterprise

Our focus group discussion was based on some small and medium enterprise in region (Bhopal)

- 1) Mandideep
- 2) Govindpura industrial area

For this study we have done focus group discussion with twelve people and having one as moderator, discussions have different questions

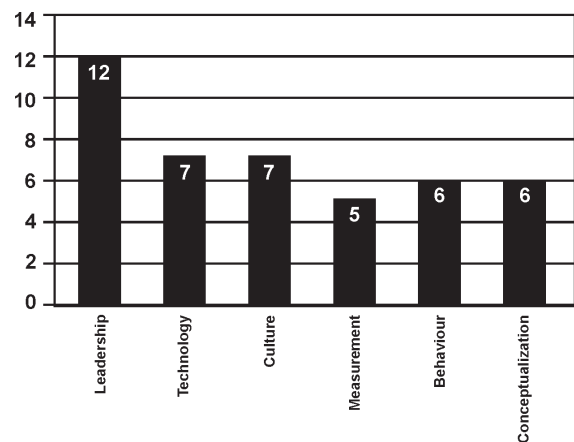
And we had covered people from different type of industry like foundry, casting, fabrication, machining and processing industry.

The Discussion Where Based on Key management initiatives with emphasis on knowledge management as such.

Discussion where carried out for 15- 20 Minutes on following questions

- * What are the bottlenecks for small and medium enterprise?
- * How companies can improve productivity in general term?
- * Tacit knowledge can be correlated to productivity?
- * How precious knowledge can be lost in organization if the do not have proper system?
- * Did knowledge management can play a key role in industrial growth?
- * What are the different perception about knowledge management in organization (SME)?

- * What are the road blocks in successful implementation of knowledge management in small and medium enterprise?
- * Do Management initiative provide a long term ROI to small and medium enterprise?
- * What are the key parameters which differ small and medium enterprise other than turn over? With Emphasis on Employee Approach towards a specific task?
- * What are the key sources of knowledge in small and medium enterprise?
- * Where are the different area where loss of knowledge leads to effect on productivity for the company?
- * Is Return on investment can be justified for implementation of knowledge management for the organization?
- * What are the preconceived notion for knowledge management not fit for small and medium enterprise?



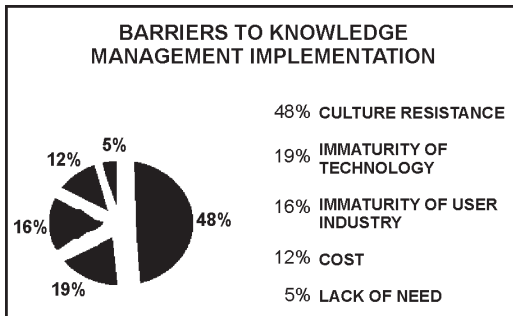
On the basis of discussion the key findings which can be highlighted are can be as follows

Management should look upon the key areas where there are huge data loss for the company

What are the key problems which are faced by small and medium enterprise, according to the discussion which can be listed as follows

- * To Compete on Price (For your cost cutting parameter knowledge management can help)
- * Employee attrition rate are very high which leads to lot of loss of valuable data which needs to be tapped and are directly propotional for loss on productivity
- * Tacit knowledge need to be tapped for large extent

BARRIERS OF KNOWLEDGE MANAGEMENT IMPLEMENTATION



Knowledge management can really help in providing systematic approach to the knowledge loss of the particular company.

According to the discussion there are some hindrances for not implementation of knowledge management Huge Infrastructure

- * Not Directly propotional to return on investment with respect to SMES
- * Huge network need to be set up for implementing knowledge management
- * Employee attitude towards radical change in the ongoing system is also a problem to be dealt for

To make conclusions and recommendations for further developments of KM in the SME sector.

Knowledge management as a concept is very attractive and provides huge business opportunities that should not be missed. It is an engine that transforms knowledge into business value. However, implementation of knowledge management is not easy for small and medium enterprise. Orgnizations have to grabble various issues and challenges such as organizational culture, strategy, information technology, knowledge organization. Despite all these issues and challenges Companies world wide have shown keen interest in knowledge management.

As far as India is concern knowledge Management is still infancy stage. It has to cover a lot of ground to come up the level of knowledge management implementation In India there is need of national knowledge management concept to create and harness the knowledge of our own people and start creating and using our own software packages. The core competency definitely exist in our R& d laboratories, academics, institutions, software houses and industries. In small and medium enterprise there is a need of customized knowledge management packages as every enterprise as a thrust area in one or two module of knowledge management so a better understanding of key area where knowledge management should be implemented is a major driving force for implementation of knowledge management vis a vis companies internal and external environment analysis.

Further scope of research can be stated as an empirical study need to be done with setting some key hypothesis based on productivity and effect of knowledge management in enhancing that.

"Learning from past mistake, time has come to amend and takes knowledge management as the concept in the right direction and reap its benefit to the fullest".

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Promotion of Brand in Rural Market of India

Hitendra Bargal, Research Associate, Indian Institute of Management Indore (IIM-I)

Ashish Sharma, Lecturer, University Institute of Management, Jabalpur MP

**Dr. Vijay Pithadia, Assistant Professor, School of Management Studies,
Shri Leuva Patel Trust College For Women**

Abstract

Promotion of brands in rural markets requires the special measures. Due to the social and backward condition the personal selling efforts have a challenging role to play in this regard. The word of mouth is an important message carrier in rural areas. Infect the opinion leaders are the most influencing part of promotion strategy of rural promotion efforts. The experience of agricultural input industry can act as a guideline for the marketing efforts of consumer durable and non-durable companies. Relevance of Mass Media is also a very important factor.

The Indian established Industries have the advantages, which MNC don't enjoy in this regard. The strong Indian brands have strong brand equity, consumer demand-pull and efficient and dedicated dealer network which have been created over a period of time. The rural market has a grip of strong country shops, which affect the sale of various products in rural market. The companies are trying to trigger growth in rural areas. They are identifying the fact that rural people are now in the better position with disposable income. The low rate finance availability has also increased the affordability of purchasing the costly products by the rural people. Marketer should understand the price sensitivity of a consumer in a rural area. This paper is therefore an attempt to promote the brand image in the rural market.

Introduction

Indian Marketers on rural marketing have two understanding (I) The urban metro products and marketing products can be implemented in rural markets with some or no change. (ii) The rural marketing required the separate skills and techniques from its urban counter part. The Marketers have following facilities to make them believe in accepting the truth that rural markets are different in so many terms.

- (i) The rural market has the opportunity for.
- (ii) Low priced products can be more successful in

rural markets because the low purchasing, purchasing powers in rural markets.

- (iii) Rural consumers have mostly homogeneous group with similar needs, economic conditions and problems.
- (iv) The rural markets can be worked with the different media environment as opposed to press, film, radio and other urban centric media exposure.

How does reality affects the planning of marketers? Do villagers have same attitude like urban consumers? The question arises for the management of rural marketing effects in a significant manner so than companies can enter in the rural market with the definite goals and targets but not for a short term period but for longer duration. The Research paper will discuss the role of regard. The strategy, which will be presented in the paper, can be either specific or universally applicable.

Realities before the Marketers

70% of India's population lives in 627000 villages in rural areas. 90% of the rural population is concentrated in villages with a population of less than 2000, with agriculture being the main business. This simply shows the great potentiality rural India has to bring the much - needed volume-driven growth. This brings a boon in disguise for the FMCG Company who has already reached the plateau of their business urban India.

As per the National Council for Applied Economic Research (NCAER) study, there are as many 'middle income and above' households in the rural areas as there are in the urban areas. There are almost twice as many 'lower middle income' households in rural areas as in the urban areas. At the highest income level there are 2.3 million urban households as against 1.6 million households in rural areas. According to the NCAER projections, the number of middle and high-income households in rural India is expected to grow from 80 million to 111 million by 2007. In urban India, the same is expected to grow

from 46 million to 59 million. Thus, the absolute size India is expected to be double that of urban India.

HLL chairman MS Banga Says, "This exercise may not pay in the immediate future, but will definitely give long-term dividends. Incidentally, over 50 percent of the sales of HLL's fabric wash, personal wash and beverages are in rural areas. And we see a future in going rural in a major way".

The improved agricultural growth is expected to boost rural demand, though not at too sizzling a rate. Moreover, the price drop in personal products, after the recent excise duty reductions, is also expected to drive consumption. "Better agricultural yields will give farmers more spending power, making the rural markets bullish," says an analyst.

As a result, HLL has planned a rural marketing program that is expected to result in a marked growth in the consumption of the company's products in the rural market. HLL will adopt three-pronged marketing strategy- new price points, sizes and awareness campaigns for its detergents and soaps segment to augment rural growth.

The Indian established Industries have the advantages, which MNC don't enjoy in this regard. The strong Indian brands have strong brand equity, consumer demand-pull and efficient and dedicated dealer network which have been created over a period of time. The rural market has a grip of strong country shops, which affect the sale of various products in rural market.

The companies are trying to trigger growth in rural areas. They are identifying the fact that rural people are now in the better position with disposable income. The low rate finance availability has also increased the affordability of purchasing the costly products by the rural people. Marketer should understand the price sensitivity of a consumer in a rural area. The small sachet packs are the examples of price sensitivity. Colgate has done this experiment with launching of sachet packs for rural markets.

Research Objectives

The research paper consist of following objectives:

- (i) To analyze the present promotion strategy of few brands in rural markets.
- (ii) To measure the success of rural marketing campaign of few brands in Terms of consumer appreciation.
- (iii) To study the determinants of specification factors which can decide the success the rural promotion strategy.
- (iv) To evaluate the effects of adopting the specific

brand ambassadors in the rural marketing context.

- (v) To present suffocate on above-mentioned objectives.

Review of Literature

The Marketing Mastermind (2003), Hindustan Lever rural marketing Initiatives by "A Mukund" Marketing Mastermind has given the perspectives in which HLL has approached towards rural markets.

The Economic Times (2003), "The rural market likes it strong" the strength of rural markets for Indian companies. Financial express, June 19, 2000 has published the strategy about FMCG majors, HLL, Marico Industries, Colgate Palmolive have formula had for rural markets.

Research Modus Operandi and Design

The research methodology for this research work is based on the survey technique. Few brands like Coca-Cola, BPL, Asian Paints have been chosen to conduct the research work.

The Gram Panchayat areas have been selected on random basis from the list of available Gram Panchayat. The four-Gram Panchayat have been short-listed and 60 respondents have been selected in each Gram Panchayat so the total sample size $N = 240$.

The respondents were organized in a group and asked about their views on following advertisement actions and theme.

- 1) In case of Coca-Cola how does the role of Aamir Khan affect the rural consumers?
- 2) In case of BPL Television how does Amitabh Bachchan give the impression about BPL Brand
- 3) How does the advertisement of Asian Paints with the Slogan "Sunil Babu" influence the rural consumers

The research design applied for this purpose is experimental with descriptive. The experimental design was suitable as the rural consumers fell interest about it and descriptive design depends on the explanation past about the campaign of these Brands.

Conceptual Framework

Given the Literacy scenario in to consideration the promotion of Brands in rural markets requires the special measures. Due to the social and backward condition the personal selling efforts have a challenging role to play in this regard. The word of mouth is an important message carrier in rural areas. Infect the opinion leaders are the most influencing part of promotion strategy of rural promotion efforts. The experience of agricultural input industry can act as a guideline for the

marketing efforts of consumer durable and non-durable companies. Relevance of Mass Media is also a very important factor. Door Darshan had already acquired high penetration in rural households.

Now the cable and other Channels have also penetrated in rural households. The newspapers and other printed Media are also gaining strategy but their role is still secondary in this regard.

Results and Discussions

The field exercise has given the various inputs about the rural consumers. This experience was unique from a marketer's point of view that the companies must have a proper understanding of rural marketing environment at a region wise basis. The data has tabulated in following manner. Advertisement of Coca-Cola (Acceptability pattern)

Contents	Favor	Non-Favor	No Comment
Language and content of Ad.	72%	20%	8%
Back ground effect of Ad.	50%	20%	30%
Expressions and communication styles of Aamir Khan	85%	15%	-

The Ad plays an important role for giving boost to rural consumers feeling. The feeling plays very important role. The Language and content (72%) and expression style of Aamir Khan (85%) play significant role.

BPL advertisement

Contents	Favor	Non-Favor	No Comment
Amitabh Bachchan as a brand Ambassador	75%	20%	5%
The Action style of Amitabh Bachchan	65%	30%	5%
The language of Ad.	62%	20%	18%

Amitabh Bachchan as a brand Ambassador

Modes	Favor	Non-Favor	No Comment
Hats	65%	30%	5%
Wall Paintings	40%	53%	7%
Melas	65%	20%	15%

Amitabh Bachchan is a leading player in the ad feature. The Action style of Amitabh Bachchan is a very delighted factor for rural Consumers.

Contents	Favor	Non-Favor	No Comment
Style of Presentation	77%	20%	3%
The concept of ad.	65%	20%	15%
Interesting and delightful Ad.	63%	17%	20%

Style of presentation plays an important role. 77% is a high figure as this affects the whole creativity aspect of any ad. The total concept and delightfulness is a strong factor for this ad. Different Modes of promotions in rural market.

Hats and Melas play a very important role in this regard. The 65% response in favor of this is an indicator of this.

Suggestions

- 1) Rural consumer environment must be understood before the creation of ad.
- 2) Rural mindset accepts the brands easily, which are close to their culture. This point must be reflected in ad for rural markets.
- 3) Sponsorships to the Melas and Hats must be considered in a significant manner.
- 4) Selection of brand ambassadors, lyrics must not be ignored in this regard.

They have a special liking for folk culture so this can be taken in an effective utilization of brand promotions.

Conclusions

The following conclusions could be drawn:

- 1) The Language and content must be according to the suitability of rural environment.
- 2) Background figures are also a deterministic factor.
- 3) Admissibility of brand ambassadors plays an important role in this regard.
- 4) Special promotion measures are the strong applicable factors in this regard.

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Book Reviews

Buddha: A Story of Enlightenment

Dr. K. Venkatraman, Director Technical GlaxoSmithKline plc. Chennai

Buddha: A Story of Enlightenment (Hardcover) By Deepak Chopra HarperCollins India ISBN-878 81-7223-679-3

An author of mass appeal; Deepak Chopra portrays the essence of Buddha's teachings and his quest for enlightenment in his book 'Buddha: A Story of Enlightenment'. With a few adept strokes of his pen, he has recreated the life of Buddha, one of the most renowned figures of the world. The book reveals how a prince turned into an ascetic, and how this iconic journey changed the world forever. It also recounts how Buddha's teachings still pervade the universe and touch some of the deepest cords of life. This persuasive narrative by Chopra is indeed a masterpiece, which has a lot to offer to his legion of fan-followers. Embark on a short spiritual journey by reading this synopsis of the book.

The Book

With a story that regresses back in time, the narrative divulges the life of 'Prince Siddhartha', who was born in Ancient Asia. His destiny is prophesized during the time of his birth and it is foretold that he would either be a warrior-king, like his father, or would become the greatest spiritual teacher of all times. But, Siddhartha's father (Suddhodana) wants the boy to be a ruling monarch like him and not a monk. So, the King traps his son at the palace and keeps him away from sights of sufferings, miseries and distress, to prevent any sort of spiritual awakening in him. The King even builds a pleasure-palace for his son, where the boy is provided with all the palatial pleasures and luxuries.

As the story unfolds, Siddhartha's inner turmoil and distress increases and he yearns for the outside world. With constant clarion call for his real duties; the prince finally abandons his affluent life and eschews pleasures of princedom. He adopts the garb of a monk and embarks on an enlightening journey that changes his life and touches a universal cord. The narrative also shows how the life of this great saint was a tumultuous affair and was engulfed with murder, sex, suffering, struggle and surrender. The way Siddhartha transcends all these commonplace aspects and emerges as the enlightened one (Buddha) makes the book a spellbinding read. Without being didactic, it helps the readers have an insight into the real meaning of life and understand the true nature of human existence.

The Author

Authors of international bestsellers like Ageless Body, Timeless Mind, Creating Affluence, The Return of Merlin, The Path to Love and The Seven Spiritual Laws of Success; Deepak Chopra is a doctor and a literary genius of New Age spirituality and holistic health. An international author, whose work of art are published and read across the globe; his writings have revolutionized the concept of the wisdom of the East. More than a dozen of his books are credited with the best-seller status on the New York Times. With his literary grip encompassing fiction and non-fiction genres, more than fifty books of this poet-prophet have been translated to over 35 different languages.

"Don't Compete with Rivals - Make Them Irrelevant"

L. Krihnamachari Associate Professor Jamnalal Bajaj Institute of Management Studies Mumbai

Companies have long engaged in head-to-head competition in search of sustained, profitable growth. They have fought for competitive advantage, battled over market share, and struggled for differentiation.

Yet in today's overcrowded industries, competing head-on results in nothing but a bloody "red ocean" of rivals fighting over a shrinking profit pool. In a book that challenges everything you thought you knew about the requirements for strategic success, W. Chan Kim and Renée Mauborgne contend that while most companies compete within such red oceans, this strategy is increasingly unlikely to create profitable growth in the future.

Based on a study of 150 strategic moves spanning more than a hundred years and thirty industries, Kim and Mauborgne argue that tomorrow's leading companies will succeed not by battling competitors, but by creating "blue oceans" of uncontested market space ripe for growth. Such strategic moves - termed "value innovation" - create powerful leaps in value for both the firm and its buyers, rendering rivals obsolete and unleashing new demand.



BLUE OCEAN STRATEGY provides a systematic approach to making the competition irrelevant. In this frame-changing book, Kim and Mauborgne present a proven analytical framework and the tools for successfully creating and capturing blue oceans. Examining a wide range of strategic moves across a host of industries, BLUE OCEAN STRATEGY highlights the six principles that every company can use to successfully formulate and execute blue ocean strategies. The six principles show how to reconstruct market boundaries, focus on the big picture, reach beyond existing demand, get the strategic sequence right, overcome organizational hurdles, and build execution into strategy. Upending traditional thinking about strategy, this landmark book charts a bold new path to winning the future.

About W. Kim Chan

W. Chan Kim is The Boston Consulting Group Bruce D. Henderson Chair Professor of Strategy and International Management at INSEAD, France (the world's second largest business school). Prior to joining INSEAD, he was a professor at the University of Michigan Business School, USA.

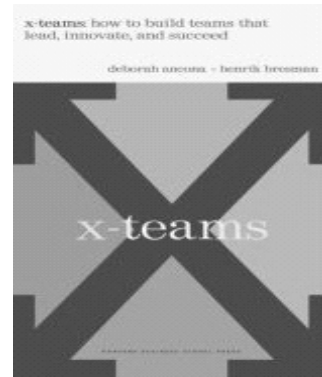
Team building

How to build teams that lead, innovate, and succeed
(By Deborah Ancona and Henrik Bresman, Harvard Business School Press,)
Jane Bozarth Associate Professor University of Lincolnshire

"Evidence now exists suggesting that team success at leading, innovating, and getting things done means managing both inside and outside the team.

Wait a minute! No team charters? No mascot? No group hugs/baseball outings/sleepovers? No singing Kum Ba Yah? What kind of team are you running, anyway? Well, for starters, maybe one that gets results.

I have been waiting years for someone to say something new about teams, and authors Ancona and Bresman finally have done it. Even better, they found out the real reason many teams fail, and identified the traits that make successful teams work.



They begin by describing the typical dysfunctional team, doing everything "right" yet managing to get no results. You've seen this team, with members so tightly bonded the team essentially has thrown up a wall between itself and the organization, allowing no interlopers-such as, oh, customers or critical new information-to get in. Ancona and Bresman define this common cause of team failure as a result of the team working from too strong an inward focus. The successful "X-Team" will learn to see beyond itself, scouting for critical external resources.

And the "X-Team" is not made up of static, team-y bunch of members, but is a fluid organism with members moving in and out according to talents, knowledge, and changing project needs.

The authors offer plenty of in-depth examples from industry, such as the team success behind Motorola's Razr phone, shored up by references to supporting research (Ancona is the Seley Distinguished Professor of Management at MIT's Sloan School of Business Management). There are extensive chapters on the factors supporting X-Teams, and excellent guidelines for choosing team members.

A useful as well as interesting read, this is the only "team" book I have ever recommended.

Information for Contributors

Manuscripts should be submitted electronically, to the Executive Editor. Manuscripts should be typed on 8½" x 11" paper, double-spaced, including references, footnotes, and abstract. Papers should not exceed 32 pages, including all references, tables, graphs and appendices 12-point font with 1-inch margins on all four sides. Papers should have double-spacing throughout, including abstract and references.

A cover page should give the title of the paper, the authors' names, addresses, institutional affiliations, telephone numbers, fax numbers, and email addresses. The first page of the manuscript should include the title of the paper and an abstract of 100-400 words. The title should be concise, descriptive and explicit. The abstract should properly summarize the important content of the paper. The abstract should not contain formulas, references, or abbreviations. Please note upto four key words at the end of the abstract.

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Cite references in the text by enclosing the authors' names and the year of publication in parentheses. Like the text of the paper, references should be double-spaced. List references alphabetically in a reference section at the end of the paper in the following style:

Black, S. and L. Porter, "Identification of the critical factors of TQM", Decision Science, Vol. 27, No. 1, 1996, pp. 1-21

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Prof. R. Chandrasekaran
Executive Editor
DOMAIN-The Journal of Management
Jansons School of Business
Karumathampatti
Coimbatore 641 659
Phone: 0421 2336161 to 65
Fax: 0421 2334742
E-mail: r.chandrasekaran@jsb.ac.in

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Karumathampatti, Coimbatore 641 659

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Email: domain@jsb.ac.in