



### Quarterly Newsletter from Gray Matters Consulting Pvt. Ltd. Volume 2, Issue 4, July, 2010

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## **8** G'nome

Since the beginning of time, the one characteristic of any living creature whether it is insects (bees, ants etc.) or animals (lions, apes etc.) or humans that has been the focus of attention is "leadership". The value of leadership is hammered into us right from our childhood. In this article, Adhir Ghosh explores the other side of Leadership - Followership.

### Business Cappuccino

Dr Arup Varma, professor at Lovola College, Chicago frequently shuttles between Kolkata and Chicago. On these trips, he has been keenly watching the behaviour of his fellow passengers at the airport and during flights. He writes on the area of - Why does the Indian air traveler often act so unruly? Why does he act like he owns the airline and the crew?

## 14 Perspective

As parents we want to provide our children with whatever we lacked when growing up. We want them to experience love and joy, be happy and successful and have a sound self-esteem. In order to achieve this we often copy the way we were parented and of course improve on areas we think we need to. Ragini Rao, an authority on Transactional Analysis explains how Psychological Hungers work in each of us.

### GENERAL FEATURES

### **17** Did you know

In the Did You Know section, this time we are covering two major items apart from a few Trivia. The Indian rupee has joined the exclusive club of international currencies such the US dollar and the British pound and would soon be recognizable by a symbol. Also, Carlise Cullen, father to vampire hero Edward from the Twilight series, has been named the richest fictional character by Forbes Fictional 15.

### 22 Book Review

Performance management systems typically have two purposes: (a) helping finalize administrative decisions and (b) specifying developmental goals. This book Performance Management Systems: A Global Perspective. Edited by Arup Varma, Pawan Budhwar, & Angelo DeNisi (2008). Global HRM Series, London: Routledge, highlights how MNEs often fall into the trap of implementing PM systems developed in the home countries into policies and practices of host countries

### **24** Free Radical

FIFA claims the 2010 World Cup in South Africa is a resounding success, here we have tried to analyse the various other groups or businesses or countries, who have made the World Cup a resounding commercial success for themselves - from the vuvuzelas to the jabulani and many others...

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## From MD's Desk

A few years ago I had walked through the corridors of the Karauli Fort in Rajasthan whose picture appears on this issue's cover. The image now represent's Gray Matters' journey through corporate life; we are walking through a long corridor and the light through the windows adorning this passage is creating designs on the walls for us to read, decipher and spread the message of good corporate governance.

Imagine being a fly on the wall of a world class organization, watching the day unfold. Now imagine being a fly on the wall at the headquarters of any other organization. What's one of the first things you'll notice? Probably the difference in the culture – the personality of the organization.

An organizations culture shapes itself with some inherent qualities of the organization and also by the people working in it. It is actually a two-way traffic. Employees shape the organization culture and also the culture shapes the employees. Culture can be nurtured and created. It drives behaviours and unites employees.

Hofstede (1980) did some seminal work on organizational culture. He demonstrated that there are national and regional cultural groupings that affect the behavior of organizations. Hofstede looked for national differences between over 100,000 of IBM's employees in different parts of the world, in an attempt to find aspects of culture that might influence business behavior.

Hofstede identified five dimensions of culture in his study of national influences: <u>Power distance</u>—The degree to which a society expects there to be differences in the levels of power. A high score suggests that there is an expectation that some individuals wield larger amounts of power than others. A low score reflects the view that all people should have equal rights. <u>Uncertainty avoidance</u> reflects the extent to which a society accepts uncertainty and risk. <u>Individualism vs. collectivism - individualism</u> is contrasted with <u>collectivism</u>, and refers to the extent to which people are expected to stand up for themselves, or alternatively act predominantly as a member of the group or organization. <u>Masculinity vs. femininity</u> - refers to the value placed on traditionally male or female values. Male values for example include competitiveness, assertiveness, ambition, and the accumulation of wealth and material possessions.

Organizational culture describes the psychology, attitudes, experiences, beliefs and values (personal and cultural values) of an organization. It has been defined as "the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization."

In the past year, organizations have been tested to the hilt and their values put to test. The recession year has brought to light the true spirit of all organizations. How they confronted the unfamiliar weather and how they dealt with the employees.

As we are approaching the completion of our 3<sup>rd</sup> year in business, I have often wondered about the cultural fabric that is getting created in Gray Matters. I remember how Edgar Schein, an MIT Sloan School of Management professor, defines organizational culture - "A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way you perceive, think, and feel in relation to those problems".

Au Revoir

Sanjay Roy Chowdhury Managing Director

Gray Matters Consulting Pvt. Ltd.



## CHANGING THE WAY 'WORK' WORKS

### **Building a Shadow Board**

Many start-ups today are doing a high-wire act with their governance arrangements-- thrilling to watch, but not very smart

Good governance can help start—ups make better decisions and, when things go wrong, improve their chances of survival. Yet most start—ups, particularly dot-coms, create small boards populated entirely by management, industry insiders and venture capitalists. Conflicts of interest abound, diversity and relevant experience in other industries are lacking, and the boards are often actively involved in running the business. The directors tend to think alike, promoting a false sense of security in an ever-changing world.

One solution to this one-sidedness is to create a shadow board. Not to be confused with traditional advisory boards, a shadow board's aim is to tap an unaffiliated and seasoned group of advisors who know how to manage growth intelligently. The shadow board has no vote, but rather the opportunity to influence the statutory board.

### **Building the Shadow Board**

To be effective, shadow boards need to have the right people, the right information and the opportunity to contribute at the right time. Consider these guidelines for selecting your shadow board:

- Build a team. An ideal shadow board will ask the tough questions in a collegial manner. They will have the diversity of backgrounds, skills and perspectives needed to meet the challenges posed by today's rapidly changing marketplace. Think about your strategic plan, and consider what skills are needed now and what skills will be needed in the future.
- Focus on personal qualities. Traditional board members tend to be leaders who are used to having their own way. Therefore, it's important to have some playmakers on the team who have the skills to draw people out on the issues, encourage dialogue and keep everyone on the same side of the table throughout.
- Tailor the board size to your needs. A more complex company may need a larger shadow board in order to include the necessary skill sets, but the shadow board should not be so large that it prevents meaningful dialogue. The key is accessibility, and that need not be formal, face-to-face meetings

### The Information Imperative

No matter how good the people, they will not be much help if they don't have the right information. Knowledge is power, and the company's leadership must equip shadow board members with sufficient information reflecting all sides of the issues - and do so well ahead of meetings, so that instead of coming to listen, they arrive prepared to discuss issues and share opinions.

The shadow board and the statutory board exist independently, but they should also regularly meet together so the shadow board may provide advice to the statutory board.

While good governance is not the antidote for all the risks of new ventures, it can help start-ups perform better on the high wire and provide a safety net by giving them more time to correct their mistakes and get back on the right track.

Source: All Business



### Why type when you can Swype

BACK IN THE 1990s, TYPING OUT hello on most cellphones required an exhausting 13 taps on the number keys, like: 44-33-555-555-666. That was before the inventor Cliff Kushler, based in Seattle, and a partner created a software called T9, which could bring that number down to three by guessing the word being typed. Now there is a new challenge to typing on phones. More phones are using virtual keyboards on a touch screen, replacing physical buttons. But pecking out a message on a small piece of glass is not so easy, and typos are common.

Mr Kushler thinks he has a solution once again. His new technology, which he developed with a fellow research scientist, Randy Marsden, is called **Swype**, and it allows users to glide a finger across the virtual keyboard to spell words, rather than tapping out each letter. While many smartphones have features that auto-complete words, correct typos on the fly and add punctuation, Mr Kushler is aiming for the next level.

"We've squeezed the desktop computer, complete with keyboard and mouse, into something that fits in a pocket. The information bandwidth has become very constricted," he said. "I thought, if we can find a better way to input that information, it could be something that would really take off."

Mr Kushler says Swype is a big breakthrough that could reach billions of people. Thats not as ambitious as it sounds. To date, the T9 technology has been built into more than four billion devices worldwide.

### 3D without glasses

HAVE YOU EVER SEEN 3-D ENTERTAINMENT OF ANY KIND without wearing special glasses. Faced a television and chosen from a menu merely by waving your arm Or, paused a movie just by saying pause. These extraordinary, almost otherworldly new technologies were on display at the Electronic Entertainment Expo. Better known as E3,the expo is the video-game industry's annual showcase, and sure, there were plenty of interesting new games to test drive. But far more impressive were the new systems for participating in interactive entertainment, particularly from Nintendo and Microsoft, and the powerful implications they have for expanding the concepts of what entertainment can be and how it can be experienced. The clear star of the show was Nintendo's 3DS. The DS is already the worlds most popular portable game system, but the 3DS is truly revolutionary.

# ping Point



### A potential to become a 'cult'

In 1999, its creators sold it to AOL for a reported \$350 million; it is now owned by the speech-recognition company Nuance.

Swypes software detects where a finger pauses and changes direction as it traces out the pattern of a word. The movements do not have to be precise because the software calculates which words a user is most likely trying to spell. Capitalisation and double letters can be indicated with a pause or squiggle, while spacing and punctuation are automatic.

Mr Kushler, who is chief technology officer of Swype, estimates that the software can improve even the nimblest text-messagers pace by 20% to 30%. Swype is now being used on seven smartphones in the United States, across all major wireless carriers, including the HTC HD2 and the Samsung Omnia II. By the end of the year, the company says its software will be on more than 50 models worldwide.

It does not have a deal with Apple, the king of touch-screen phones, but it is tinkering with software for the iPhone and the iPad and hopes to show it to Apple soon.

To make money, Swype charges phone makers a licensing fee for each device sold. It also sees opportunity in add-ons. We could have custom dictionaries for doctors or lawyers, said Mike McSherry, chief executive of the company. But Swypes appeal goes beyond mobile phones,s aid Won Park, director of US technology sourcing at Samsung."It could become the de facto standard for tablets, next-generation TVs or next-generation remote controls," Mr. Park said. "It has tremendous potential."

Source: Jenna Wortham Seattle, New York Times News Service



### Both these news items appeared in **The Economic Times**, 22<sup>nd</sup> June, 2010

Incredibly, the 3DS displays true 3-D images without the use of special glasses. It actually works. Unlike many 3-D movies with objects that might appear to come whizzing out at you, the 3DS images appear to have depth that recedes into the screen.

Without delving too deeply into the technology (known as a parallax system), the 3DS works because the user holds the unit directly in front of the eyes at a somewhat fixed distance. Similar technology does not work effectively on home televisions because you have to look at the screen from close to a direct perpendicular angle for the image to retain coherence. Anyone slightly off to the side will get a distorted image and that is why the first generation of 3-D TVs require cumbersome special glasses. Nintendos success in making 3D work without glasses in an easy-to-use, immediately accessible fashion is a triumph.

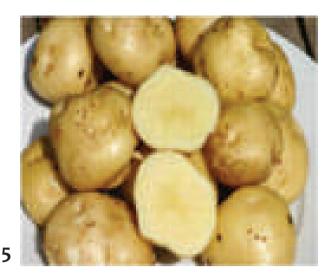
Nintendo did not announce when it would begin shipping the 3DS,but senior industry executives expect it to hit the shelves in Japan this fall and in North America next spring.

Source: Seth Schiesel Los Angeles, New York Times News Service





## Lifestyle



## World's 12 most expensive edibles

- 1. Saffron, a spice grown worldwide, is derived from the saffron crocus flower. A pound of dry saffron (0.45 kg) requires 50,000 to 75,000 flowers to make, meaning an entire football field of these flowers. Requiring so much resources and labor, prices for the spice go around U\$\$500/pound to U\$\$5,000/pound (U\$\$1100 to U\$\$11,000 per kilogram).
- 2. The most expensive nut in the world is the Macadamia nut. The macadamia tree produces nuts only after it's 7-10 years old, requiring fertile soil and heavy rainfall. These nuts have a very hard seed, but once it's open it reveals a creamy white kernel containing up to 80% oil and 4% sugar. The cost of a kilogram of these nuts exceeds 30\$.
- 3. The most expensive caviar in the world is not the black one, but the almas caviar! The word *almasâ* is Iranian for diamond. Beluga caviar comes from a fish over 100 years old, that is virtually unchanged for 120 million years. The luxurious caviar comes from the oldest survivor of the Dinosaur era. Beluga caviar ranges in price from more than \$5,000 per kilogram in the United States

- 4. The most expensive mushroom in the world is the white truffle. The mushroom has its origins in the Langhe area of the Piedmont region in northern Italy, it can reach 12 cm diameter and 500g. These truffles are sold at a amazing price of \$1350 \$2700 per pound. The record price for this truffle was paid last year, in December, when Stanley Ho, the owner of the Macau casino paid \$330,000 for 1.5kg of truffles.
- 5. The most expensive potato in the world is a French one, La Bonnotte. Annually, only 100 tons of this top quality potato are cultivated and collected only on the island Noirmoutier. The potato fields require to be fertilized only with seaweed in a climate shaped by the nearby sea. The cost of one single kilogram can reach 500 Euro since this type of potato is almost extinct.
- 6. The most expensive beef in the world is the type of beef coming from the Wagyu cows. These Japanese cows are fed the best grass and provided the best treatment. That is why the meat is especially tender and particularly expensive. 200 grams of a fillet costs in Europe more than 100 dollars.















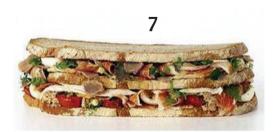
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- 7. The most expensive sandwich in the world is the club sandwich from Essen aka von Essen Platinum Club Sandwich. This triple-decker delicacy contains the finest chicken, ham, hard-boiled quails' eggs and white truffles and it's currently sold at Cliveden, Berkshire. The chicken (poulet de Bresse) is referred to as the 'fourth gastronomic wonder of the world served with a topping of white truffles, sold at over a thousands pounds a month. At 1,182 calories, with 1.8oz of fat, it's not the healthiest dish but certainly one of the most expensive. Costing 100 pounds (almost 200 dollars), this is a must-try for the food fanatics.
- 8. The most expensive pizza in the world, valued at 8300 Euro can be tasted in Italy. With generous toppings of caviar and lobster, the pizza has a diameter of 20cm and Louis XIII Remy Martin cognac poured all over it.
- 9. The most expensive omelet in the world can be tasted at the Le Parker Meridien restaurant in New York. The \$1,000 omelet consists of 10 ounces of sevruga caviar, a whole lobster, and six eggs. To make it in the privacy of your own home, the cost will be only \$700.

- 10. Off to something sweet now with one of the most expensive deserts in the world, served at Serendipity 3, a popular restaurant in the Upper East Side of Manhattan. The \$1000 sundae was introduced in 2004 and was listed in the Guinness Book of World Records as the most expensive dessert. It's made up of 5 scoops of the richest Tahitian vanilla bean ice cream, Madagascar vanilla, 23K edible gold leaf and one of the most expensive chocolates in the world, Amedei Porceleana.
- 11. The tastiest and most expensive chocolate in the world is Chocopologie by Knipschildt. At \$2,600 per pound, this handmade chocolate truffle is available only if ordered. It contains a black truffle and 70% Valrhona cacao.
- 12. The world's finest and most expensive coffee is Kopi Luwak. The coffee comes from the Indonesian island of Sumatra and the total annual production is only around 500 pounds of beans. That is why the price of a pound is outrageous \$300 or more.











## **Followership**

## - the neglected domain



Adhir Ghosh Principal Coach, Gray Matters Since the beginning of time, the one characteristic of any living creature – whether it is insects (bees, ants etc.) or animals (lions, apes etc.) or humans – that has been the focus of attention is "leadership".

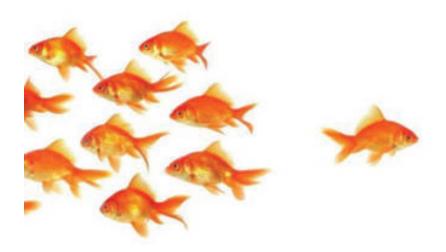
The value of leadership is hammered into us right from our childhood – various means are adopted to drive home the point through attaching prestige to roles like the Class Monitor, House Captain etc. And when we finally get into organizations, we are directed to be leaders, irrespective of the level or role/job that is assigned to us.

Organizations spend enormous amounts of time, energy and money into leadership development programs across hierarchies. Few professional-development programs spend time developing effective follower cultures and skills.

In fact, leadership is the mantra for success in the world, irrespective of the vocation we choose. As leadership and management guru Warren Bennis says, "It is probably inevitable that a society as star-struck as ours should focus on leaders in analyzing why organizations succeed or fail."

This is all very fine. Without taking away the significance of the role of a leader or leadership qualities in guiding people and ensuring success in any endeavour, can we deny that the success of the leader depends very much on the quality of followers? Or for that matter, what would happen to a person with leadership qualities if he / she did not have effective followers? We all remember that crucial scene in the film "Spartacus", when the Roman General asks the vanquished forces led by Spartacus and his army of slaves, to identify who among them is Spartacus, with the incentive that the rest would be spared from death penalty. First Spartacus spoke "I am Spartacus" and then one by one, all of his men declared "I am Spartacus". That's what followership is all about.

Therefore Bennis comments that "But the longer I study effective leaders, the more I am convinced of the underappreciated importance of effective followers."





According to Chaleff the term Followers is given a negative connotation – words like obeying, conforming, following, carrying out directions etc. conjures up images of people being docile, submissive and thus devalues followership.

Therefore people do not like to be categorized as followers. He recommended that "The sooner we move beyond these images and get comfortable with the idea of powerful followers supporting powerful leaders, the better we can fully develop dynamic, self-responsible, synergistic relationships in our organizations."

So let us examine followership. According to Robert E. Kelley, a prominent social scientist in followership studies, "What distinguishes an effective from an ineffective follower is enthusiastic, intelligent, and self-reliant participation—without star billing—in the pursuit of an organizational goal." Kelley did extensive research on this theme and offered the following types of followers:

- Alienated followers are deep and independent thinkers who do not willingly commit to any leader. They are mavericks who have a healthy scepticism of the organization. They are capable, but cynical.
- Passive followers rely on leaders to do the thinking for them and do as they are told. They are not particularly active participants and therefore require constant direction. (Sheep)
- Conformist followers are the "yes people" of the organizations. They are very active at doing the organization's work and will actively follow orders.
- Pragmatic followers ("Survivors") are middling in their independence, engagement and general contribution.
- 5. Exemplary followers are ideal in almost all ways, excelling at all tasks, engaging strongly with the group and providing intelligent yet sensitive support and challenge to the leader independently. They are innovative, and willing to question leadership. Exemplary followers know how to work well with other cohorts and present themselves consistently to all who come into contact with them.

Thus we see that in a population of followers, there are various categories who would respond to the leader and organization differently according to the way they think and act.

In every organization, one will find that the majority of the follower population would belong to the Passive, Conformist, Pragmatic and Alienated follower types.

Exemplary followers are a handful and generally a good leader recognizes who they are and nurtures them.

Most leaders try steering clear of the Alienated types. Thus over a period of time, it is often found that these Alienated ones are the non/low performers and become the 'headaches' of organizations.

Therefore the primary responsibility is how to have a holistic strategy that develops followers along the continuum from Passive to Exemplary with focused interventions for the Alienated types – because they are probably the other side of the coin of the Exemplary follower and have the potential of being transformed into one.

Warren Bennis narrated about movie mogul Sam Goldwyn – Mr. Goldwyn seems to have had a gut-level awareness of the importance of (what Bennis calls) 'effective backtalk' from subordinates. After a string of box-office flops, Mr. Goldwyn called his staff together and told them: "I want you to tell me exactly what's wrong with me and MGM, even if it means losing your job." Although Mr. Goldwyn wasn't ready to give up the egomassaging presence of "yes men", in his own gloriously garbled way he acknowledged the company's greater need for a staff that speaks the truth.

Thus the moot point is to promote and establish a culture of effective followership, who think independently and speak the truth – followers who tell the truth, and leaders who listen to it, are an unbeatable combination.



## **BUSINESS CAPPUCCINO**

## The High Flyer

Dr Arup Varma

t a recent seminar for top executives of a leading multinational, I was talking to participants about how certain

airlines from small Asian countries consistently ranked high in terms of service, while large airlines from Europe of North America are often ranked low on the service criteria. As we continued to discuss how strategy and culture impact organizational and individual behavior, one of the participants remarked that while the service on the airlines we were raving about was impeccable around the world, somehow the service was not up to their usual standards on sectors that lead into Indian airports.

This was the trigger that I needed to write this piece, on a subject that has bothered me for a long time. Why does the Indian air traveler often act so unruly? Why does he act like he owns the airline and the crew? Let me start by sharing a couple of incidents that I have witnessed.

### Incident 1: Would you like me to shine your shoes next?

I was on a domestic flight from Kolkata to Bangalore (or was it Mumbai?), along with a well-known management consultant, attached to a top ranked business school in India. As we boarded the flight and got to our seats, I tried to find place in the overhead bin for my carry-on, which was just a laptop case. My friend, on the other hand, is one of those who do not believe in checking in any of their luggage, so he had brought on a large suitcase and his briefcase. He left both the bags in the aisle, and promptly proceeded to occupy his window seat. When I asked him if he wanted me to put his bags in the overheard bin, he replied nonchalantly that he had left the bags there for the flight attendants to put in the overhead bin. On seeing my surprised look, he proceeded to inform me that they were "hired help" and this was their job! Now, my friend is healthy, well-built, and could lift a goat or two with one hand, if there ever was need to do so. The flight attendants, on the other hand, were petite and would probably have a tough time crossing 100 pounds on the scale. In any case, the flight attendant's reactions said it all – while she did lift the bags and place them in the overhead bin, with help from other passengers, she was definitely not amused by the behavior.

### Incident 2: I am going to get ahead, one way, or the other!

The next incident that comes to mind happened at Mumbai airport, though it has repeated itself several times, at various airports in India, since the first time I consciously noted the behavior, back in the late 1990's. I was in line, patiently waiting behind 8-10 people for my turn to check in, when 2 well-heeled gentlemen walked right past all of us in line, and stood at the counter with their tickets in hand. As some folks in line began to murmur, the two "intruders" made sure to avoid eye contact with any of us in line, and instead continued to stand at the counter and discuss the next big deal they were going to sign, or whatever it was they were discussing. As soon as the passenger at the counter had finished his business and moved aside with his boarding



documents, the gentlemen handed their tickets to the agent, and continued their conversation, ignoring the murmurs that were getting louder. At this point, a couple of folks in line decided to object loudly, and walked up to the counter and asked the two gentlemen to get in line behind all of us. Initially, they resisted, but as the voices got louder and more determined, the agent handed their tickets back to them, and the two meekly walked to the back of the line. (It is worth mentioning here that this incident dates back to the days when most airlines in India had their check-in counters dedicated to specific flights – so even if the two gentlemen had managed to check in before those of us waiting in line, they still would have been on the same plane!).

As they walked back, one could clearly see their business cards attached to their briefcases. I am not going to reveal the name of the well-known company to which they were attached, because it is not as if this behavior is restricted to executives or representatives of any particular company - suffice it to say that I have seen this behavior repeated umpteen times, and most often by people who have somehow convinced themselves that their important titles and huge pay packets make them more than equal.

### Incident 3: One for the road, and then, one for the road not to be taken!

The third incident that I am going to talk about is so common that it deserves a whole thesis. But, let me restrict myself to the one incident etched in my memory that directly relates to my initial comments about the training participant's remarks about poor service on the India sector, on certain otherwise outstanding airlines. I was on a flight to Bangkok, and seated next to a gentlemen who, based on our initial conversation, was a regular on that sector. Once the flight reached cruising altitude, the flight attendants came by with the drinks trolley. My next-seat neighbor asked for 2 "scotch drinks." When the flight attendant politely asked if the second one was for me, he replied that they took too long to come back, so he wanted two right away. As the flight attendant hesitantly presented him with the 2 drinks,

she noted that they would be back soon with dinner. whereupon my neighbor retorted that he would need two more drinks at that point. Needless to say, the gentleman needed two more drinks after dinner, and then as I tried to catch forty winks, I clearly remember him walking back to the service area mumbling something about needing more drinks. Now, as I am sure all of you know, this was an international flight, so the airlines do serve alcohol, but given the short duration of the flight, they usually offer beer already poured into little plastic cups, along with juices and water, of course! Even though I have been witness to such incidents more times than I care to remember, the reason this one has stuck with me is that I later overheard the flight attendants make derogatory comments about "people from this country," and how they hated working on this sector.

Ok, so I am going to stop relating incidents of this nature - though, as you might have guessed, I have a whole bunch of these. Not surprisingly, when I have discussed these stories with friends here and back home in the USA, many of my friends have confirmed being witness. to such incidents themselves! So, one might wonder well, what does this have to with the readership of a consulting quarterly? Shouldn't the author(s) be telling us about the latest management theories and what is currently hot in terms of best practices? Well, here's my theory – given that most people who can afford air travel in India are business folk, their behavior at the airport and on the planes reveals a lot about how they operate in their workplace, especially in their dealings with subordinates, but also with customers, clients, and suppliers.

As a Professor of Human Resource Management, I have spent countless hours over the last twenty years, talking to executives of all types in countries around the world. about the importance of treating people right, especially those that work with/for them. And, I sincerely believe what many well-known chief executives



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He holds an M.S. in Personnel Management & Industrial Relations (with honors) from XLRI, Jamshedpur (India); and a B.S. in Economics (with honors) from St. Xavier's College, Calcutta (India).

He has conducted several hundred workshops and seminars, covering topics such as Leadership, Motivation, Communication Skills, Conflict Resolution, Problem Solving, Business Strategy, etc. In 2003, he was honored with the Graduate School of Business Faculty of the Year award, and in 2004, he was honored with School of Business Administration Researcher of the Year award, and in 2008, he was honored with the School of Business Administration/IHRER Award for Professional Achievements and Service.

He has been a visiting professor at Beijing International MBA (Peking University, China), Great Lakes Institute of Management (India), XLRI - School of Business and Human Resources (India), Tulane University (USA), and Rutgers University (USA and China).

have emphasized over the years – that people are the most important resource any organization has. But given my observations above, I sometimes wonder if instead of teaching in a classroom setting, I should run all my seminars on flights, especially in India! On a serious note though, given how widespread this behavior seems to be, it is worth noting, and addressing. Indeed, I have often heard senior executives lament that engineering and business schools are too focused on providing their graduates with top notch technical skills, but forget to incorporate the basic human element in their curricula. I would like to go one step further and wonder aloud - what is it that causes the air traveler to forget basic courtesy, and simple manners? And if this is how they behave at the airport and on flights, should we really believe that they act differently at the workplace (or, even at home)?

As management theorists and practitioners have written over and over again, people give their best in an environment where they feel respected as human beings, first, and for their contributions, next. The expectation of basic respect and dignity is an inalienable human right, and not subject to an individual's title or level in the organizational hierarchy. Similarly, grown-ups are expected to have learnt the basic rules of proper etiquette and social behavior, by the time they assume their places in the workplace. Indeed, there are norms and behaviors that we take for granted - so, for example, we don't have to tell an executive of an MNC that he should not wear slippers to work, or that shorts or pajamas are not acceptable as formal wear. Somehow, we seem to do fine with the tangibles. Yet, when it comes to the intangibles, we seem to stumble more often than would be deemed acceptable. No wonder the subject of emotional intelligence has become a very hot topic in management education circles. [Ok, so contrary to what I said above, this article

does include at least one sentence on what is hot in management right now! But, getting back to the topic at hand, I believe it is time to develop a simple statement of appropriate behaviors for air travelers in India, and perhaps have them read the statements aloud and sign a declaration before they are issued a ticket! Jokes apart, some kind of education is clearly required. I will leave it to the airlines to decide how to get the message out. On my part, I have decided to help them by developing an initial set of air traveler affirmations (see box). Before I go, I would add like to add two more thoughts. First, some people may react to this piece by saying that travelers in other countries engage in the same behavior, so why pick on those in India. Let me confirm that I have witnessed this behavior elsewhere too -- though, thankfully, not in too many places. Notwithstanding the fact that others may be engaging in the same behavior, the fact remains that we need to set our own house right first - only then can we start to try and help others change their behavior. Next, while I have concentrated on the unruly passengers in this article, the airlines and their crew are by no means exempt from practicing basic courtesy towards passengers. Indeed, I have seen enough unprofessional behavior to sometimes wonder if the airlines "get the passengers they deserve!" In the spirit of balance and fairness, I promise to dedicate a future piece to the other side of the coin, complete with my list of 'airline crew affirmations.' In the meantime, feel free to share this article, especially the affirmations with a colleague or friend (or nonfriend, especially) that you believe needs to read this. It might even be fun to have them sit with you and read the affirmations aloud! Z



(or, how to share a pleasant journey with fellow travelers)

- 1. I will get to the airport well in time, so I don't have to rush through everything.
- 2. I will join the appropriate queue, and patiently wait in line for my turn.
- 3. I will not try to jump gueues, nor make up stories about how/why I am late.
- 4. I will not push or shove other passengers, while in line.
- 5. I will treat all the crew with respect, and offer a smile, when appropriate. This will not make me lose points on the cool or "I am too important to smile at you" scales.
- 6. I will take care of my luggage at all times, and if I drop my luggage on someone's feet, I will not accuse them of having bigger feet than necessary. Instead, I will apologize and show concern.
- 7. I will bring only as much as luggage as necessary being prepared for exigencies does not involve bringing 30 pairs of shoes or 31 dresses, or my whole DVD collection.
- 8. On the bus, I will move inside after boarding. I will not block the entrance so I can be the first one off the bus. All of us on the bus will board the same plane.
- 9. Once inside the aircraft, I will promptly stow my carry-on in the overhead bin, and find my seat.
- 10. I will occupy my assigned seat, and not just pick one I like, and then ask the rightful owner to go occupy my seat. I will not make up stories about claustrophobia, and ask him/her to exchange their window/aisle seat(s) for my middle seat.
- 11. As I walk through the aisles, I will make sure that my luggage does not hit those already seated in the aisle seats
- 12. I will not press the call button as soon as I am seated, and ask for water, or a newspaper, or a blanket, etc.
- 13. I will not recline my seatback until the plane has reached its cruising altitude, and the pilot switches off the appropriate light.
- 14. I realize that the seat in front of me has another passenger. I will not practice my karate kicks on their seatbacks. I will ensure that my children do not practice their kicks either.
- 15. When the flight attendants serve (alcoholic) drinks, I will not try to consume enough for my office bridge (or, cricket) team. I will be reasonable. I also realize that the air up there is light, so alcoholic drinks are best avoided.
- 16. When the flight attendants serve meals, I will put my seatback upright, so the passenger behind me is able to use his/her table properly.
- 17. When I use the washroom, I will be mindful not to leave it dirty. I will flush!
- 18. I will switch off my cell-phone when instructed to do so, and switch it back on only when I am told it is safe to. That oh-so-important call will just have to wait.
- 19. I will not unbuckle my seat belt as soon as the plane has landed. I realize it is still dangerous to be unbuckled while the plane is taxiing. I realize that unbuckling my seat belt before the plane has fully stopped will not make my luggage come out any faster.
- 20. I realize this list is just a pointer of the kinds of things I should not do I will try not to add to this list by engaging in unacceptable behavior.
- 21. I do not own the airline, nor the plane, or the crew. (Author's note: If you do own the airline or the plane, you may please ignore most of the above, especially when you are flying alone. However, you still do not own the crew).



## **PERSPECTIVE**



## **Psychological Hungers**

Ragini Rao

As parents we want to provide our children with whatever we lacked when growing up. We want them to experience love and joy, be happy and successful and have a sound self-esteem.

In order to achieve this we often copy the way we were parented and of course improve on areas we think we need to. The reality of parenting is much more than when we just think or dream about. Parenting is one task that is rewarding as well as exhausting all at the same time. Its demanding because you need to know what to do, when to do and how to do it.

As parents we soon learn how to take care of the child's physical needs of food, hygiene etc. However as the child grows older we need to become aware and clued in to the child's psychological hungers. Psychological hungers take care of an individual's emotional needs.

And these are:

**Stimulus Hunger:** A need for physical, emotional, intellectual contact with others.

**Recognition Hunger:** A need to have one's existence as an individual recognized.

**Structure Hunger:** A need to structure one's time to meet the need for recognition.

Right from the time of birth, the baby is held, stroked, cuddled, fed. Mother speaks to her, sings to her, rocks her. And this is essential for growth itself. Rene Spitz, a psychologist conducted studies in orphanages to note the effect of stimulation.

He found that even where the children are wellfed and clothed but not held and stroked, that they tend to be sickly, their developmental milestones are reached later and mortality rates are higher.

In another study, infant monkeys were kept in a room where there were two dummy mother monkeys. Each time the infants approached the dummy monkeys they would be fed through the monkey. However, one of the monkeys also gave them a mild electric shock every time that they fed through it. They did not receive the shock if they fed through the other dummy monkey. It was found that the infants preferred to feed through the monkey that delivered the shock.

This and other experiments showed that the hunger for stimulation was so great, that they chose the electric shock, even if it was an unpleasant stimulation.

When the hunger for stimulation and recognition are met, the person experiences being acknowledged, belonging in the family or group, loved and lovable, knowing self and others, and being alive.

Structure hunger is the third basic hunger. Even a person marooned on an island will soon begin to structure his time around the weather, time of day, availability of food etc. Structure hunger allows a person to know his/her boundaries and to feel safe within physical, social and psychological systems. It provides a degree of predictability and certainty.

If these hungers aren't readily satisfied at any age, we pursue them, we need to feel alive (stimulated) and acknowledged (recognized) and safe(structure). If we can't get the one we need, we try to make do by substituting one of the others.



Ragini Rao is an expert in the field Transactional Analysis & Neuro Linguistic Programming & a certified Behavior Counselor. Ragini has a masters degree from Delhi university, a Diploma in counseling and a PTSTA- Psychotherapist, Trainer and Supervisor from the International Transactional Analysis Association (USA).

She is a practicing Psychotherapist at the Apollo clinic, Kolkata. She uses a holistic and eclectic approach to counseling and psychotherapy. Each client is approached based on an understanding of his/her specific needs. Transactional Analysis is the main school of therapy used along with techniques of Yoga, meditation and NLP.

Ragini is the only certified Transactional Analyst in Kolkata. She does training for corporate houses and individuals. Her popular topics are TA101, Parenting, Stress management, Winning with People, to name a few. Her uniqueness is that she brings her learnings from the clinical field into training.

She does voluntary work at Mentaid- school for the mentally retarded children. She ran a therapy group for the parents for 2 years. Now she conducts training for the teachers on various behavioral topics.

This works to a certain extent, but is never really satisfying because the three hungers are distinct and equal in importance. The balance of the three is essential as all of us crave for one or the other at a given point of time and difficult to recognize which one.

### Consider these vignettes:

Pranav, 12 years old has a busy day. After school he goes for cricket coaching three days a week, keyboard classes twice a week and swimming thrice a week, other than managing home work and studies. His mother does a full time job. However manages to make sure he reaches all his classes on time. Often during the weekends Pranav whines and demands a lot of attention from his mother. Hates to go for his classes during the weekend.

Where is the imbalance in Pranav's life? He probably has a lot of stimulation and structure but not enough recognition.

Shruti 15 years old, is in the ninth standard. She is the only child of her parents. Mother has opted to be a housewife and be a homemaker. Spends a lot of time taking care of Shruti's needs. Infact Shruti hardly needs to express her needs. Shruti routine is very relaxed. Other than school, she is not involved in any extra curricular activities. Se is a good student does well in studies. However Shruti often appears bored and uncertain about herself.

Where is the imbalance in Shruti's life? She probably has too much recognition and too little of structure and stimulation.

Jean Illsley Clarke and Connie Dawson have devised the SRC triangle.

SRC stands for the psychological hunger for stimulation, recognition, and certainty. Clarke and Dawson use the word certainty instead of structure.

Too much stimulation leads to person wanting constant excitement, expecting to be entertained or seeking high personal risk experiences.

Too little stimulation leads to monotony. The person experiences lack of connection and vitality, thinking is impaired and he shows childish emotional responses.

Too much recognition leads to self-centeredness.

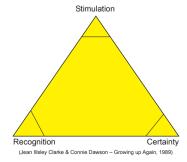
Too little recognition leads to isolation and the person feeling devalued, unimportant and ignored.

Too much structure results in rigidity, with the person giving in, pushing hard, or manipulating, or becoming passive.

Too little structure results in feelings of abandonment leading to uncertainty, lack of order and direction, and chaos.

- It is important to take care of all three hungers - stimulation, recognition and certainty, so that the person experiences a balance.
- Sometimes children clamour to meet one of the hungers because she is not getting enough of another.
- As a parent it is important to become aware whether one's own hungers are met in a balanced way and whether you are putting your own unmet needs onto the children without noticing what they need.

The triangle is a helpful way of becoming aware of one's own behavior and those of others as all of us adults and children have the need for these hungers and becoming aware of what is missing in our lives will help us to take care of our needs. It offers options to improve the way we can interact with others.







## Rupee gets its symbol



The Indian rupee has joined the exclusive club of international currencies such the US dollar and the British pound and would soon be recognizable by the symbol shown here.

It is a blend of the Devanagari 'Ra' and Roman 'R'. The new symbol has been designed by Bombay IIT postgraduate D Udaya Kumar. **\$ The US Dollar** 

£ The British Pound

€ The Euro

¥ The Japanese Yen

### **Security Features on Indian Currency Notes**

### Watermark

The Mahatma Gandhi Series of banknotes contain the Mahatma Gandhi watermark

### **Security Thread**

When held against the light, the security thread on Rs.1000, Rs.500 and Rs.100 can be seen as one continuous line. The Rs.5, Rs.10, Rs.20 and Rs.50 notes contain a readable, fully embedded windowed security thread with the inscription 'Bharat' (in Hindi), and 'RBI'.

### **Latent Image**

On the obverse side of Rs.1000, Rs.500, Rs.100, Rs.50 and Rs.20 notes, a vertical band on the right side of the Mahatma Gandhi's portrait contains a latent image showing the respective denominational value in numeral. The latent image is visible only when the note is held horizontally at eye level.

### Microlettering

It contains the word 'RBI' in Rs.5 and Rs.10. The notes of Rs.20 and above also contain the denominational value of the notes in micro-letters. This feature can be seen well under a magnifying glass.

### **Intaglio Printing**

The portrait of Mahatma Gandhi, the Reserve Bank seal, guarantee and promise clause, Ashoka Pillar Emblem on the left, RBI Governor's signature are printed in intaglio i.e. in raised prints, which can be felt by touch

### **Identification Mark**

This feature is in different shapes for various denominations (Rs. 20-Vertical Rectangle, Rs.50-Square, Rs.100-Triangle, Rs.500-Circle, Rs.1000-Diamond) and helps the visually impaired to identify the denomination.

### **Fluorescence**

Number panels of the notes are printed in fluorescent ink. The notes also have optical fibres. Both can be seen when the notes are exposed to ultra-violet lamp.

### **Optically Variable Ink**

This is a new security feature incorporated in the Rs.1000 and Rs.500 notes with revised colour scheme introduced in November 2000.

### See through Register

The small floral design printed both on the front (hollow) and back (filled up) of the note in the middle of the vertical band next to the Watermark has an accurate back to back registration. The design will appear as one floral design when seen against the light.

Source: Reserve Bank of India







### **INTERESTING TRIVIA**

- Catherine the Great had private ice slides (the roller coasters of their day) built near her palace.
- The Wright Brothers' first successful flight on December 17, 1903 covered a distance of about 120 feet—shorter than the wingspan of a modern 747.
- The name for "piggy" banks comes from the use of family money jars in the Middle Ages made from a type of clay called pygg.
- Hawaii is the only U.S. state that grows coffee.
- Because it's growing about half an inch a year, a person climbing Mount Everest today would have to go 27 inches further to reach the peak than Sir Edmund Hillary did in 1953.
- In 1911, Pablo Picasso's friend, French poet Apollinaire was suspected and later arrested for stealing the Mona Lisa from the Louvre. This led to the arrest of Picasso as well who was questioned and later released as not guilty.

## Richest Fictional Characters

CARLISE Cullen, father to vampire hero Edward from the Twilight series, has been named the richest fictional character by Forbes.

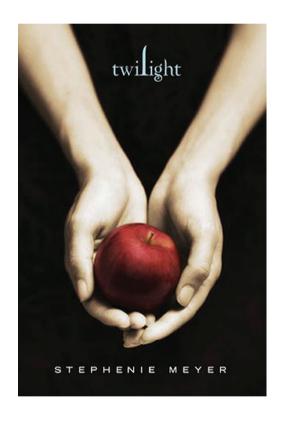
According to the 'Forbes Fictional 15' awards announced by the magazine, the vampire doctor created by Stephenie Meyer has beat the long established millionaires like Scrooge McDuck and Richie Rich to grab the top slot.

This centuries-old vampire's estimated worth is a staggering \$34.1 billion, with shrewd long-term investments in steel, gold, oil, his accumulated doctor's salary for 340 years without paying for groceries or health care expenses. He also owns several valuable properties, including yacht, a private island and a collection of Renaissance art, the magazine said. Cullen is followed by old McDuck in the second place with property worth \$33.5 billion.

Famous for his stingy ways, McDuck keeps most of his fortune in gold coins, all piled high inside his Duckburg"money bin".

The third place is occupied by Richie Rich with fortune worth \$11.5 billion, followed by the armoured super hero Tony Stark aka Iron Man with \$8.8 billion property.

Bruce Wayne or Batman from Gotham City clinched the seventh place with \$6.5 billion property earned from defense while the Tooth Fairy came eighth with inherited property worth \$3.9 billion.











## **GROWTH LEADERS**

## SWOT analysis in action at Skoda



n 1895 in Czechoslovakia, two keen cyclists, Vaclav Laurin and Vaclay Klement, designed and produced their own bicycle.

Their business became Škoda in 1925. Škoda went on to manufacture cycles, cars, farm ploughs and airplanes in Eastern Europe. Škoda overcame hard times over the next 65 years. These included war, economic depression and political change. By 1990 the Czech management of Škoda was looking for a strong foreign partner.

Volkswagen AG (VAG) was chosen because of its reputation for strength, quality and reliability. It is the largest car manufacturer in Europe providing an average of more than 5 million cars a year – giving it a 12% share of the world car market. Volkswagen AG comprises the Volkswagen, Audi, Škoda, SEAT, Volkswagen Commercial Vehicles.

Lamborghini, Bentley and Bugatti brands. Each brand has its own specific character and is independent in the market. Škoda UK sells Škoda cars through its network of independent franchised

To improve its performance in the competitive car market, Škoda UK's management needed to assess its brand positioning. Brand positioning means establishing a distinctive image for the brand

dealers.

compared to competing brands. Only then could it grow from being a small player.

To aid its decision-making, Škoda UK obtained market research data from internal and external strategic audits. This enabled it to take advantage of new opportunities and respond to threats.

The audit provided a summary of the business's overall strategic position by using a SWOT analysis. SWOT is an acronym which stands for:

- Strengths the internal elements of the business that contribute to improvement and
- Weaknesses the attributes that will hinder a business or make it vulnerable to failure
- Opportunities the external conditions that could enable future growth
- Threats the external factors which could negatively affect the business.

This case study focuses on how Škoda UK's management built on all the areas of the strategic audit. The outcome of the SWOT analysis was a strategy for effective competition in the car industry.

Octavia

Case Study from www.thetimes100.co.uk





### **Strengths**

To identify its strengths, Škoda UK carried out research. It asked customers directly for their opinions about its cars. It also used reliable independent surveys that tested customers' feelings. For example, the annual JD Power customer satisfaction survey asks owners what they feel about cars they have owned for at least six months. JD Power surveys almost 20,000 car owners using detailed questionnaires. Škoda has been in the top five manufacturers in this survey for the past 13 years. In Top Gear's 2007 customer satisfaction survey, 56,000 viewers gave their opinions on 152 models and voted Škoda the 'number 1 car maker'. Škoda's Octavia model has also won the 2008 Auto Express Driver Power 'Best Car'.

Škoda attributes these results to the business concentrating on owner experience rather than on sales. It has considered 'the human touch' from design through to sale. Škoda knows that 98% of its drivers would recommend Škoda to a friend. This is a clearly identifiable and quantifiable strength. Škoda uses this to guide its future strategic development and marketing of its brand image. Strategic management guides a business so that it can compete and grow in its market. Škoda adopted a strategy focused on building cars that their owners would enjoy. This is different from simply maximising sales of a product. As a result, Škoda's biggest strength was the satisfaction of its customers. This means the brand is associated with a quality product and happy customers.

### Weaknesses

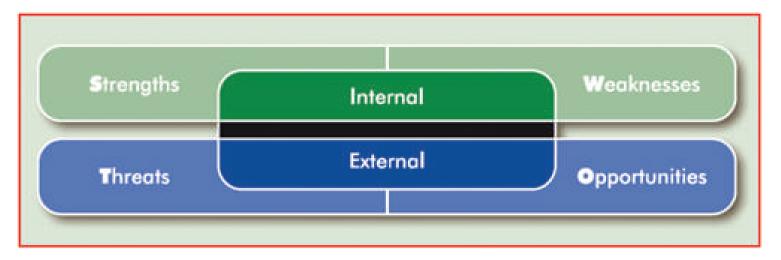
A SWOT analysis identifies areas of weakness inside the business. Škoda UK's analysis showed that in order to grow it needed to address key questions about the brand position.

Škoda has only 1.7% market share. This made it a very small player in the market for cars. The main issue it needed to address was: how did Škoda fit into this highly competitive, fragmented market?

This weakness was partly due to out-dated perceptions of the brand. These related to Škoda's eastern European origins. In the past the cars had an image of poor vehicle quality, design, assembly, and materials. Crucially, this poor perception also affected Škoda owners. For many people, car ownership is all about image. If you are a Škoda driver, what do other people think?

From 1999 onwards, under Volkswagen AG ownership, Škoda changed this negative image. Škoda cars were no longer seen as low-budget or low quality. However, a brand 'health check' in 2006 showed that Škoda still had a weak and neutral image in the mid-market range it occupies. compared to other players in this area, for example, Ford, Peugeot and Renault. This meant that whilst the brand no longer had a poor image, it did not have a strong appeal either.

This understanding showed Škoda in which direction it needed to go. It needed to stop being defensive in promotional campaigns. The company had sought to correct old perceptions and demonstrate what Škoda cars were not. It realised it was now time to say what the brand does stand for. The marketing message for the change was simple. Škoda owners were known to be happy and contented with their cars. The car-buying public and the car industry as a whole needed convincing that Škoda cars were great to own and drive.



### **Opportunities and Threats**

### **Opportunities**

Opportunities occur in the external environment of a business. These include for example, gaps in the market for new products or services. In analysing the external market, Škoda noted that its competitors' marketing approaches focused on the product itself.

Audi emphasises the technology through its strapline, 'Vorsprung Durch Technik' ('advantage through technology'). BMW promotes 'the ultimate driving machine'. Many brands place emphasis on the machine and the driving experience. Škoda UK discovered that its customers loved their cars more than owners of competitor brands, such as Renault or Ford.

Information from the SWOT analysis helped Škoda to differentiate its product range. Having a complete understanding of the brand's weaknesses allowed it to develop a strategy to strengthen the brand and take advantage of the opportunities in the market. It focused on its existing strengths and provided cars focused on the customer experience. The focus on 'happy Škoda customers' is an opportunity. It enables Škoda to differentiate the Škoda brand to make it stand out from the competition. This is Škoda's unique selling proposition (USP) in the motor industry.

### **Threats**

Threats come from outside of a business. These involve, for example, a competitor launching cheaper products. A careful analysis of the nature, source and likelihood of these threats is a key part of the SWOT process.

The UK car market includes 50 different car makers selling 200 models. Within these there are over 2,000 model derivatives. Škoda UK needed to ensure that its messages were powerful enough for customers to hear within such a crowded and competitive environment.

If not, potential buyers would overlook Škoda. This posed the threat of a further loss of market share.

Škoda needed a strong product range to compete in the UK and globally. In the UK the Škoda brand is represented by seven different cars. Each one is designed to appeal to different market segments. For example:

- the Škoda Fabia is sold as a basic but quality 'city car'
- the Škoda Superb offers a more luxurious, 'up-market' appeal
- the Škoda Octavia Estate provides a family with a fun drive but also a great big boot.

Pricing reflects the competitive nature of Škoda's market. Each model range is priced to appeal to different groups within the mainstream car market. The combination of a clear range with competitive pricing has overcome the threat of the crowded market.





The following example illustrates how Škoda responded to another of its threats, namely, the need to respond to EU legal and environmental regulations. Škoda responded by designing products that are environmentally friendly at every stage of their life cycle.

This was done by for example:-

- Recycling as much as possible. Škoda parts are marked for guick and easy identification when the car is taken apart.
- Using the latest, most environmentally-friendly manufacturing technologies and facilities available. For instance, areas painted to protect against corrosion use lead-free, water based colours.
- Designing processes to cut fuel consumption and emissions in petrol and diesel engines.
- These use lighter parts making vehicles as aerodynamic as possible to use less energy
- Using technology to design cars with lower noise levels and improved sound quality.

### Outcomes and benefits of SWOT analysis

Škoda UK's SWOT analysis answered some key questions. It discovered that:

- Škoda car owners were happy about owning a Škoda
- the brand was no longer seen as a poorer version of competitors' cars.

### However.

- the brand was still very much within a niche market
- a change in public perception was vital for Škoda to compete and increase its market share of the mainstream car market.

The challenge was how to build on this and develop the brand so that it was viewed positively. It required a whole new marketing strategy.

Škoda UK has responded with a new marketing strategy based on the confident slogan, 'the manufacturer of happy drivers.' The campaign's promotional activities support the *new brand* position. The key messages for the campaign focus on the 'happy' customer experience and appeal at an emotional rather than a practical level. The campaign includes:

- The 'Fabia Cake' TV advert. This showed that the car was 'full of lovely stuff' with the happy music ('Favourite things') in the background.
- An improved and redesigned website which is easy and fun to use. This is to appeal to a young audience. It embodies the message 'experience the happiness of Škoda online'.

Customers are able to book test drives and order brochures online. The result is that potential customers will feel a Škoda is not only a reliable and sensible car to own, it is also 'lovely' to own.

Analysing the external opportunities and threats allows Škoda UK to pinpoint precisely how it should target its marketing messages. No other market player has 'driver happiness' as its USP. By building on the understanding derived from the SWOT, Škoda UK has given new impetus to its campaign. At the same time, the campaign has addressed the threat of external competition by setting Škoda apart from its rivals.

### Conclusion

Škoda is a global brand offering a range of products in a highly competitive and fragmented market. The company must respond positively to internal and external issues to avoid losing sales and market

A SWOT analysis brings order and structure to otherwise random information. The SWOT model helps managers to look internally as well as externally. The information derived from the analysis gives direction to the strategy. It highlights the key internal weaknesses in a business, it focuses on strengths and it alerts managers to opportunities and threats. Škoda was able to identify where it had strengths to compete. The structured review of internal and external factors helped transform Škoda UK's strategic direction.

The case study shows how Škoda UK transformed its brand image in the eves of potential customers and build its competitive edge over rivals. By developing a marketing strategy playing on clearly identified strengths of customer happiness, Škoda was able to overcome weaknesses. It turned its previously defensive position of the brand to a positive customer-focused experience. The various awards Škoda has won demonstrate how its communications are reaching customers. Improved sales show that Škoda UK's new strategy has delivered benefits.

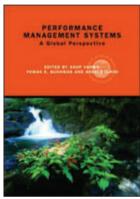


**GRAY MATTERS QUARTERLY** 

## book review

## Performance Management System

### **A Global Perspective**



Performance Management Systems: A Global Perspective. Edited by Arup Varma, Pawan Budhwar, & Angelo DeNisi (2008). Global HRM Series, London: Routledge, ISBN: 978-0-415-77177-1

erformance management systems typically have two purposes: (a) helping finalize administrative decisions and (b) specifying developmental goals. This book highlights how MNEs often fall into the trap of implementing PM systems developed in the home countries into policies and practices of host countries.

This is problematic as most non-U.S. countries have non-U.S. ways of doing things that are guided by and embedded in the local culture. The usefulness of having a culture-specific set of HR policies in dealing with HR issues has been thoroughly dealt with in this book.

For example, seeking feedback about one's performance may be seen as appropriate and desirable in an individualistic culture such as the USA, but may go against the very ethos of collectivistic cultures such as China.

Apart from sensitizing readers about these cultural differences, chapter seven to chapter sixteen of the book discuss how cultural differences should be weaved into formulating HR systems and by extension PM systems in companies around the globe. Pithy and succinct, the book introduces the readers to HR practice and procedures around the world.

The opening chapters viz 'Introduction: performance management around the globe' and 'PMS policies and practices in MNEs' give an orientation of how PMS is designed, developed, and initiated in multinational corporations across the world. The chapters cover some universals of performance management before highlighting the differences in management styles brought about by differences in culture, technology, and traditions. The next two chapters, namely 'Rater motivation' and 'Rater-ratee relationships' focus upon the relationship between the manager and his/her subordinate.

This is an important reading for those who are interested in understanding the relationship between managers and their subordinates in multicultural settings as is frequently seen in global organizations.

Chapters five and six offer insights into how performance management is structured in MNES. Additionally, they also deal with linkages between different HR functions such as merit pay, and the appraisal process.

For those who are interested in cross cultural management and their practices, chapters seven through sixteen can be of major interest.

These chapters deal with performance management systems in numerous countries around the world, starting with the United States and then moving to Europe, Asia, and finally to Australia. Readers of these chapters should pay particular attention to the diversity and originality of PMS in culturally different settings where management style and practices differ due to difference in values, attitudes, and philosophies.

Various areas of performance management which had hitherto received scant attention such as performance appraisal systems. compensation management, and the specific HR practices in different organizations have been dealt with in detail in this book.

Consequently, this book is likely to appeal to both researchers and practitioners as a source of valid and reliable information.

Overall, this is a timely book, that brings together well known experts who have contributed to an outstanding volume under the editorship of three renowned scholars, Arup Varma of Loyola University Chicago (USA), Pawan Budhwar of Aston University (Birmingham, U.K.) and Angelo DeNisi of Tulane University (USA). g



Dr. Soumendu Biswas

Dr. Soumendu Biswas is an Assistant Professor in the Human Resource Area at the Management Development Institute (MDI), Gurgaon, India. Dr. Biswas' research interests include organizational culture, international dimensions of organizational behaviour, and Multivariate Data Analysis with particular reference to SEM procedures.





## Who 'won' the World Cup?

FIFA claims the 2010 World Cup in South Africa is a resounding success, here are list of groups who agree.

### **Guzzling Up**

Britain's biggest pubs firm Punch Taverns said it was on track to meet full-year expectations as trading was boosted by hot summer weather and the soccer World Cup. The company, which has over 7,100 pubs across Britain, said trading during the World Cup, had been good, helping sales at pubs open for more than a year grow in recent weeks compared with the previous year.

### Pizza platter

Although the company clearly doesn't like saying it, Domino's Pizza has been given a sales boost by both the World Cup and its sponsorship of Britain's Got Talent. It has reported a 13.7% rise in like for like sales in the six months to the end of June, with pre-tax profits up 28.6% to £17.5m and the dividend up a similar amount to 4.5p a share.

### Noisy sale

The supermarket Sainsbury – which picked up on the horns after last year's Confederations Cup in South Africa – has sold 40,000 England-branded vuvuzelas so far at £2 each and expects to shift 75,000 over the course of the competition. When England played their World Cup opener against the USA, Sainsbury's said it sold a vuvuzela every two seconds.

### On your Marks, Spencer

Also cashing in on tournament tie-ins was Marks & Spencer. Announcing a 4.4% rise in first quarter sales on July 7, the retailer said it had sold 5,000 replicas of the suits worn by the England football squad, despite the team's disappointingly early exit from the tournament. The World Cup also saw M&S launch a promotion for branded beers which had a surprising knock-on effect on its own-brand beer – one of many recently introduced lines for the retailer. Sales of M&S beer doubled during the promotion of branded beers.



### **Bookies booked**

More than 5,000 people have been arrested across Asia as part of a World Cup operation against illegal gambling, BBC reported. Almost \$10m was seized during the crackdown in China, Malaysia, Singapore and Thailand. During Operation Soga III, which ran from 11 June to 11 July, police seized assets including cars, bank cards, computers and mobile phones. The dens handled more than \$155m (£100m) in bets.

### The official ball

Jabulani is the official ball of the South Africa World Cup. Jiangxi Jiujiang Si Mao Bo Company was authorized in May 2009 as the main production base for the 2010 South Africa World Cup football, and began manufacturing the South Africa World Cup official ball.

### Vuvuzela

Touted as the 'worst African export', this annoying horn was manufactured in millions Zhejiang province Ninghai county Jiying Plastic Manufacturing Plant. Around 90 per cent of these horns were exported from the Yiwu small commodities market. The "little horn" made in China has produced a distinctive sound at the South Africa World Cup.

### Wigs and Scarves

they exported 600,000

scarves. 🙎

The colorful wigs found on the heads of spectators were exported by a Zhejiang province Yiwu city company Tian Cheng Handicraft, while the scarves printed with various cheerleading slogans

were produced by Zhejiang province Hangzhou city Mo Shang Hua Limited,

## INSIDE

## GRAY MATTERS









### **HR On site**

An organization involved in Leather Manufacturing is building up its systems and processes. For the HR part they sought Gray Matters' assistance in examining their existing structure and maintaining the new structure. We have signed a one year contract for helping them develop their HR systems and processes and implementing and hand holding for a period of one year.

An organization involved in various businesses from IT & ITeS to Power Consultancy is re-building up its HR systems and processes. They have engaged Gray Matters' assistance in examining their existing structure and suggesting a new structure and also a through look into their existing systems and processes. We have signed a one year contract for helping them develop their HR systems and processes and implementing and hand holding for a period of one year.

### Reimagine@ School

After successful launch of "The Next Step", a newsmagazine for ages 12 and above, the Delhi-based children's magazine publisher sought our services to manage the design and content of a new magazine targetted towards school administration. We have just come up with the first issue, eleven more to go for the year. Loads of work but it is great fun.

### **Building High Performance Teams**

A large manufacturing organization engaged Gray Matters to conduct 2 sets of 4day workshops on the above topic as part of their ongoing Leadership Development program. The 4-day workshop included topics on Transactional Analysis, Conflict Management, Listening, Followership, Trust, Feedback mechanism, Situational Leadership and also light outdoor team building games. Although it being 4 days at a stretch (Sunday included), the senior management participants showed no signs of stress or boredom, thanks to our faculties who had engaged them in the exercises and activities till the end.

### **Rewards & Recognition**

A large Mumbai based organization, as part of their HR initiatives, is institutionalizing their Rewards & Recognition program. Gray Matters was engaged to conceive the whole program, with its names, logos, mementos as well as the communication plan. Apart from the umbrella program, their would be 5 reward categories in this initiative for various levels in the organization.

### **Balanced Scorecard Workshop**

Gray Maters opened its account in Bhubaneshwar with a 2-day Balanced Scorecard workshop for a large steel conglomerate. The workshop was for the senior management team at the plant location.

## LEISURE PAGE



brain strain quizzing your grey cells



## mindstretch

- 1. Which three countries are the biggest importers of Scotch whisky?
- 2. What was launched in UK as the Royal Disinfectant Soap?
- 3. How do we know today the Bank of Italy, founded by Amadeo Giannini in San Francisco?
- 4. What do J and C in J.C. Penney stand for?
- 5. What was first introduced in 1906 as Blibber Blubber?
- 6. Which author's signature perfume was Spectacular?
- 7. What was the first consumer product purchased on the installment plan?
- 8. Which singing star's commercial, for Southern Made Donuts, was aired in 1954?
- 9. Which actor earned the sobriquet 'Miss Deepfreeze' when she toured the country demonstrating refrigerators?
- 10. What enduring advertising symbol was created by a Virginia schoolboy as part of a drawing competition held in 1916?

### SUDOKU - 7 X 7

Fill the grids so every row, column, and shaded region contains one of each number from 1 to 7.

		4				6
3		5				
		6	4			
			2	1		
	1					2
4				6	1	
7	6		3	4		



of Planters Peanuts Mr. Peanut--the trademark

Kim Novak Elvis Presley

Singer Sewing Machine

Josh Collins

Bubblegum

James Cash Bank of America

Lifebuoy France, America and Spain

1	2	4	5	3	7	6
3	4	5	1	2	6	7
2	7	6	4	5	3	1
6	3	7	2	1	5	4
5	1	3	6	7	4	2
4	5	2	7	6	1	3
7	6	1	3	4	2	5

**SABWENS** Elvis Presley

### New additions to the team



Sriparna Bose Pyne Associate Director Gray Matters

**Experience:** Sriparna Bose Pyne is the Associate Director of Gray Matters. Prior to this Sriparna was associated with Pepsico India Holdings Pvt. Ltd as VP-HR, Eastern Region, with ABP Pvt Ltd. as VP-HR, with The Oberoi Grand, an unit of EIH Ltd. as Director—HR, with Saregama India Ltd., a RPG Group Company as Head HR Head HR and with Philips India Limited as Training Manager and Head Personnel at their Consumer Electronics factory at Kolkata

**Academic Background:** Sriparna has a Graduation from Goenka College of Commerce and Business administration, Post Graduation from Calcutta University and MBA from IISWBM

Work Exposure: Sriparna started her career in 1992 and during her association with the cross section of industries like consumer durables, FMCG, media, retail-entertainment and hospitality, she has had an extensive experience in transforming organisation culture, setting up new teams, restructuring work processes and teams, formulating and implementing vision, mission, values, code of conduct, organisation design, designing and administering HR policies and processes, designing and implementing performance management system, job evaluation and banding, competency mapping, , compensation management, designing and managing reward and recognition systems, implementing organisation health survey, mentoring and coaching, employee engagement, working with differently-abled people. She has launched an Operational Trainee Scheme during her association with the The Oberoi Grand and has extensive experience in training and capability development and has conducted behavioural training sessions for cross section of employees during her several assignments.

**Experience:** Formerly Human Resources Analyst (Talent Management), Deloitte Consulting India Pvt Ltd. Hyderabad. Human Resource Professional with more than 4 years of professional work experience spread across Talent Acquisiton, HR Strategic Business partner, Business Development & other HR functions.

Academic Background: Currently pursuing PGDM-Weekend from XIM Bhubaneswar. BSc – Biotechnology, Bangalore

Work Exposure: Responsible for Development of a recruiting strategy in liaison with the US Service Line lead for the Human Capital service line to establish a new service area (Talent CoE) in the Indian region. Defined recruitment strategy based on business goals and strategic initiatives; developed creative and profitable solutions for internal clients. Worked in a team aimed at designing process improvements and job evaluations techniques. Conducted training programs for Talent Sourcing team. Experience of working with both internal and external clients. Facilitated the Competency Development of the team through Training Needs analysis and formulating training plans. Managed communication, implementation and adherence to SLA, quality and timelines.

Industries worked with: Intensive exposure of working with clients spread across Research, Consulting, Banking and IT Enabled services.

**Consulting Exposure:** Talent Management Cycle, Employee Communication tools, Performance Management systems Process Study, HR Policies.

After Kolkata, Gray Matters has opened its second office in Bhubaneshwar. This office is being manned by Mr. Swayam Vikas Rath. He can be reached at +919439538692



Swayam Vikas Rath Senior Analyst Gray Matters

### WHAT CAN WE DO FOR YOU?

If you need any information of our products and services, you can mail us and we will surely respond to you with adequate details. DO YOU WANT TO SHARE?

If you have an interesting concept in your organization which you would like to share with the community, do write to us and we will get in touch with you for details.

### **OUR CLIENTS**

ABP Limited

Bangla Trac (CAT) (Bangladesh)

Bengal Aerotropolis (BAPL)

**Bharat Petroleum Corporation Ltd** 

Bharti AXA Life insurance

CGPL ( A Tata Power Company)

**Dassault Systemes** 

**Descon Limited** 

Eveready Industries India Ltd.

First Climate India

Gontermann Piepers (I) Ltd

**Indian Chamber of Commerce** 

IXIA Technologies Pvt.Ltd.

**ICICI Prudential Life Insurance** 

IFB Industries Limited

iViz Techno Solution Ltd.

KDS Group (Bangladesh)

Kotak Securities Ltd.

Landis Gyr

Lafarge Surma (Bangladesh)

Lafarge Umiam Mining Pvt. Ltd.

Magma Fincorp Limited

Mercy Hospital

ONGC Petro additions Limited

Pepsico India

Siemens Limited

SKP Securities Ltd.

SREI Infrastructure Finance Ltd.

Standard Chartered (Priority Banking)

Subhas Projects & Marketing Ltd.

TIL Limited

Techno Electric & Engg. Co. Ltd.

Trio Trend Private Limited

Tata Steel

**VIP Industries Limited** 

VISA Steel Limited

Yamai Fashions Limited



## **BACKPAGE**

For more information on Gray Matters offerings, visit our website

at: www.graymatters.co.in





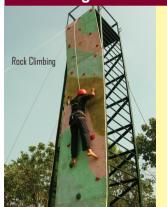
Gray Matters consists of consultants who understand the challenges that businesses face in attracting, retaining and motivating people in this competitive environment. We work in partnership with our clients to deliver people solutions which would help accelerate growth for the organizations, based on our knowledge of businesses and expertise in HR leading practices.

Our solutions and approaches unlock the full potential of an organization – and deliver real, measurable, substantial and meaningful business results.

Organization Vision, Mission & Values
Job Banding & Evaluation
Balanced Scorecard Design & Implementation
Compensation Strategy & Structures
Leadership Development & Transformation
HR Effectiveness

Organization design and Mapping Performance Management System Competency Mapping & Assessments Reward Strategies HR Strategy formulation HR Communication & Branding

### Learning Solutions



### Self Development Skills

Communication Skills Time Management Assertiveness Skills Transactional Analysis

### **Tractical Workplace Skills**

Negotiation Skills Stress Management Problem Solving & Creativity Conflict Management Workplace Etiquettle

### **Alignment Skills**

Team Building
Leadership Development
Coaching & Mentoring
Performance Counseling

### **Reckoning Skills**

Balanced Scorecard Competency Based Interviewing Competency Management

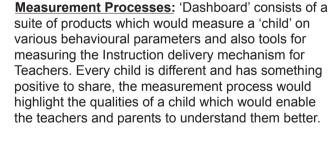
### Success in Life Skills

Outdoor Adventure Learning Success@Work-Life



**Education Services** 





**Growth Workshops:** 'Insight' are our series of Growth Workshops for Students and Teachers in an Institutions. We bring in Behavioural workshop which targets the students mind, innovative ways of learning and assimilating classroom content and also for teachers, in understanding learning styles of students and differentiated tactics for making teaching fun and effective.















insight

Through this newsletter, we intend to bring to you "interesting stuff" from the world of business, nationally and internationally. Please send in your comments and critique on the newsletter. We would like to improve with your suggestions and make this newsletter a "better read". Send your mail to contact@graymatters.co.in

I count him braver who overcomes his desires than him who conquers his enemies: for the hardest victory is the victory over self.

— A ristotle



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