



# IIML NEWSLETTER

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## RESEARCH PUBLICATIONS

### BOOK CHAPTERS

**Akbar, M.** 2005. Review of Policy and Regulatory Environment for MSEs in Uttar Pradesh Supply Chain Relationships. *In* The ILO Publication (Chapter 7). New Delhi: 49-56.

The supply chain linkages differ widely in service industries from manufacturing industries. Government had been more focused in reinforcing supply-chain linkages between large firms and MSEs. Even in case of manufacturing industries these linkages were found to be weak except when common ownership is involved, in order to avail benefits or to avoid labour laws meant for Micro and Small businesses. However it became clear, by comparing non-affiliated MSEs, that those forming part of organised supply chain benefited (in terms of size growth, technology improvement, better management practice and profitability) from the relationship with large firms. Also the labour laws enforcement had been better. The government policies therefore must encourage the development of such linkages through market-based incentives that so far had been weak, not reinforced or in many cases missing altogether. But the major initiative would lie with the larger firms to take advantage of supply chain economics.

### PAPERS

**Bhattacharya, Indranil and Sensarma, Rudra.** 2006. Signaling Instruments of Monetary Policy: The Indian Experience. *Journal of Quantitative Economics, New Series* 3(2): 180-196.

The effectiveness of monetary policy hinges on the ability of the monetary authority to communicate with the public in a clear and transparent manner. In this regard, the signaling of policy assumes key importance as it conveys the stance of monetary policy. In the Indian context, other than the traditional Cash Reserve Ratio, the Bank Rate and the Repo rate have emerged as the primary signaling instruments of monetary policy since the later half of the nineties decade. Against this



backdrop, the present paper examines the efficacy of the signaling role of various monetary policy instruments in transmitting the stance of policy to the different segments of the financial market. Towards this end, first, we provide an extensive discussion on the signaling role of monetary policy with special reference to India. Next, we analyze the impact of changes in key policy instruments in India on four segments of the financial market employing the techniques of cointegration, granger causality and impulse response analysis, using monthly data over a fairly long horizon.

**Chaudhuri, Atanu** (FPM Student) and **Srivastava, Rajiv K.** 2006. Bicriteria Sequencing of Mixed Model Assembly Line: A Simplified Heuristic and Illustration. *Industrial Engineering Journal* 35(4): 9-16.

Automobile manufacturers increasingly produce a variety of product models using common assembly lines. Sequencing of models in such assembly lines becomes critical due to work content variations across models and stations. Typical objectives for sequencing a mixed model assembly line are minimization of line stoppages, product flow times, and work-in-process inventory. However, in the bicriteria problem of reducing flow time and maintaining uniform parts consumption simultaneously, assigning weights to individual criteria becomes difficult.

A project was taken up at an Indian commercial vehicle manufacturer, and a simplified heuristic was proposed for sequencing models in its mixed model line. It performed better than the company's own sequence, and closely matched one of the common heuristic in literature, on uniformity of part consumption. Further, it bettered the company's sequence on workload smoothing and in reducing flow time, while significantly bettering the performance of an established heuristic developed for uniform part consumption.

**Dash, S.B.,** Bruning, Ed. and Guin, K.K. 2006. The Moderating Effect of Power Distance on Perceived Interdependence and Relationship Quality in Commercial Banking: A Cross-Cultural Comparison. Accepted for publication in the forthcoming issue of *International Journal of Bank Marketing*.

This cross-cultural study examines the moderating effect of power distance on perceived interdependence and relationship quality in a bank-corporate client relationship. Data were collected through surveys administered to bank customers in India and Canada. Confirmatory Factor Analysis and Multiple Regression were employed to assess the relationships among model variables. Results indicate that, Interdependence, Interdependence Asymmetry, Trust and Commitment are critically important to the development of effective relationships; statistical data supported the fact that an element of national culture (Power Distance) moderates the degree of interdependence and the strength of the trust-commitment linkage. To date, these relationships



have not been explored in an eastern cultural context. Buyer-seller relationships are dependent upon the specific cultural basis of the parties. Managers must be cognizant of the cultural values of the buyer/client in order to understand the most effective means of establishing and nurturing the buyer-seller relationship.

**Saji, K.B., Anju, S.P.** 2005. Text Mining for Managing Competition in the Publishing Industry. *International Journal of Management Sciences* 1(2): 70-81.

As firms strive for increased profitability and growth, faster and better information to manage the business users becomes a necessity for effective decision-making. There is also the need for organizational excellence and further growth of the organization in the ever changing, dynamic, global business environment today. This renders the firms to search for better solutions for their data management problems. On the long run, this will lead to competition. Through this paper, we propose a conceptual framework based on text mining option to address the specific issues faced by the publishing companies in such a competitive scenario. In line with this, the broad objective of the present paper has been set to illustrate how a text mining solution could be successfully implemented in an organization for improving its performance capabilities. The paper illustrates the case of a company that got established in the global publishing industry in the early nineties, and later became an online web portal in 1999. The company has employed the text mining tool *Rainbow*, which performs the statistical text classification, to their advantage to help manage competition at the marketplace.

**CONFERENCE/**

**SEMINAR PAPERS**

**Awasthi, M.K.** 2006. Effectiveness of policy responses in international trade of agribusiness commodities in India. Paper presented in the National Seminar on 'WTO, India & Emerging Areas of Trade, held at IIM Kozhikode, Kozhikode, during April 21-22, 2006.

Growing business competition at the international level has necessitated need for framing quick and effective policy responses to various policy initiatives of competitor countries. Very often these competitor initiated policies either aim at promoting exports or blocking or making imports less competitive for competing countries. In such scenario, it is very important that policy responses should be framed on the basis of sound analysis of trade related information. While designing such policy interventions we have to ensure that it should not have any adverse affect on conducive business environment. Such intervention should also not have negative implications on various agencies of agribusiness chain. It is very important because an effective policy intervention has to ensure that policy response has a positive outlook for every player in the agribusiness chain. All this necessitate need to review effectiveness of past policy



intervention and identify factors responsible for policy failure so that same could be taken care of in future policy formulations.

Agribusiness related policy formulations are not very easy due to involvement of socio politico sensitivities and complexity of agribusiness. This complexity in agribusiness environment could largely be attributed to existence of a long and complex cobweb chain of agribusiness agencies. In this chain at one end is the supplier of agricultural inputs whereas retailers are located at the other end of the chain. Farmer is located in the middle of agribusiness chain. Each component of the agribusiness chain is influenced by the multiplicity of policy framework in current business environment.

Paper analyses past international trade policy responses of Government of India on international trade in dairy commodities. Findings of the study then were used for drawing appropriate policy inferences.

**Bhattacharya, Ayan** (PGP student) and **Sensarma, Rudra**. 2006. Do Financial Markets Exhibit Chaotic Behaviour?: Evidence from an Emerging Economy. Paper presented at the 8<sup>th</sup> Annual Conference on 'Money and Finance in the Indian Economy', IGDIR, during March 27-28, 2006.

Chaotic deterministic models with sensitive dependence on initial conditions provide a powerful tool in understanding the apparently random movements in financial data. This study examines four financial markets in India, an emerging economy, for possible chaotic behavior. We employ four tests, viz. the BDS test on raw data, the BDS test on pre-filtered data, Correlation Dimension test and the Brock's Residual test. The financial markets considered are the stock market, the foreign exchange market, the money market and the government securities market. The results from these tests provide very weak evidence for the presence of chaos in Indian financial markets.

**Mishra, Anurag** (FPM Student) and **Akbar, M.** 2006. Family Business Groups in Emerging Markets: A Theoretical Examination of Literature and Research Opportunities. Paper presented in Family Enterprise Research Conference (FERC2006), organized by Wilfred Laurier University, held at Niagara Falls, Canada, during April 28-30, 2006.

A common feature of the industrial landscape of most emerging economies is the existence of diversified family enterprise commonly referred to as business groups. In this paper we examine the internal and external motivations for the existence of family business groups and performance thereof from different theoretical perspectives. Some of the theoretical perspectives utilized are transaction cost economics, institution theory, agency theory, social development theories resource-based view and financial theories. We discuss some of the predictions these theories make for family business groups and various research



issues that each of these perspectives has to offer. The contribution of this paper is theoretical and in terms of a detailed review of literature on family owned business groups in emerging markets. We also evolve a framework for analyzing research issues central to family owned business groups.

**Singh, Kapil** (PGP student) and **Sensarma, Rudra**. 2006. Forecasting Long Term Interest Rate: An Empirical Exercise for India. Paper presented at the 8<sup>th</sup> Annual Conference on 'Money and Finance in the Indian Economy,' IGDIR, during March 27-28, 2006.

The objective of this paper is to develop a robust model for the forecasting of long term interest rates in India. The variable under study is yield on 10-year government Securities (GSEC10). Based on various alternative specifications, we have arrived at a parsimonious specification which is based on macroeconomic theories as well as is useful for generating forecasts. We employ multivariate time-series techniques to develop the model and find that GSEC10 is co-integrated with many macroeconomic variables. Of these, Stock Index, Real Effective Exchange Rate and Money Supply turn out to be the most important ones. Based on this, our estimated model is used to generate out-of-sample forecasts. Subsequently the forecasts are compared with those from naïve models such as random walk and non-linear models based on Artificial Neural Network and it is found that our model yields superior forecasts than these alternatives.

## WORKING PAPERS

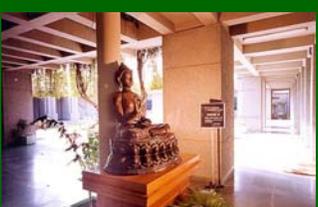
**Dash, S.B.** 2006. Does Culture Influence Service Quality Expectations? A Test of Cultural Influences in Banking Service Expectations in Cross-Cultural Context. *IIML WPS 2006-03*.

## EDITORIAL ASSIGNMENTS

**Akbar, M.** has been taken on the editorial review board of the IIM Bangalore Journal *IIMB Management Review*.

**Akbar, M.** has been included in the review board of the *Journal for International Business and Entrepreneurship Development*, Inderscience, USA.

**Akbar, M.** has, on an invitation, joined the editorial board of the Journal of Organizational and Behavioral Research, a publication of the University of Technology Yogyakarta, Indonesia.



## KEYNOTE ADDRESS/TALK DELIVERED

**Akbar, M.** 2006. Value Based Management. Delivered a keynote address at Amity Business School, Lucknow, on April 21, 2006. (*Prof. Akbar also presided over the first technical session on the same theme*).

**Sahadevan, K.G.** 2006. Anti-Dumping: The Experience of India. Delivered a talk at the seminar on 'WTO for Government Officials and Exporters', organized by Confederation of Indian Industry, Northern Region, held at Moradabad, during April 27-28, 2006.

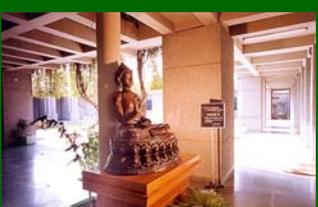
**Shukla, Archana and Srinivasan, R.** 2006. Knowledge Management. Invited talk delivered in the programme for the Senior Executives of the NTPC Unchahar Plant, held at Unchahar, on May 10, 2006.

## MANAGEMENT DEVELOPMENT PROGRAMMES

Sl. No.	Name of the Programme	Programme Director/s	Venue & Duration
1.	Training programme for Vishal Video & Appliances, Lucknow & their Micro Dealers	Prof. Anjani Koomar	Lucknow April 10, 2006
2.	Training programme for the British Council, on for their 11 Award winning Headteachers from UK under the International Placement for Headteacher Programme	Prof. Anjani Koomar	New Delhi May 05, 2006
3.	Managing for Excellence for Sr. Executives of RBI	Prof. Archana Shukla	IIM Lucknow May 22-27, 2006

## FORTHCOMING MANAGEMENT DEVELOPMENT PROGRAMMES

Sl. No.	Name of the Programme	Programme Director/s	Venue & Duration
1.	Effective Communication for Managerial Success	Prof. Neerja Pande	Mumbai (Non-residential) June 5-7, 2006
2.	Managing Intellectual Property for Competitive Advantage: Legal Strategies in the Knowledge Economy	Prof. D.S. Sengar	Shimla (Non-residential) June 8-10, 2006
3.	Contract Management and Dispute Resolution	Prof. D.S. Sengar	IIM Lucknow June 21-23, 2006
4.	Marketing Management for Sales People	Prof. Devashish Dasgupta	IIM Lucknow July 5-7, 2006
5.	HRD for Line Managers	Prof. Pankaj Kumar	IIM Lucknow July 5-7, 2006
6.	Corporate Environmental Management and Carbon Markets	Prof. Sushil Kumar	IIM Lucknow July 10-12, 2006
7.	Finance for Non-Finance Executives	Prof. A. Vinay Kumar	IIM Lucknow July 10-14, 2006
8.	Strategic Business Negotiations	Prof. Anjani Koomar	IIM Lucknow July 17-21, 2006
9.	Leveraging Customer Information to Strengthen Loyalty Programmes	Prof. Jitendra K. Das	New Delhi (Non-residential) July 19-21, 2006
10.	Managing Competition	Prof. M. Akbar	IIM Lucknow July 20-22, 2006
11.	Monitoring and Evaluation (M&E) of Development Programmes	Prof. M.K. Awasthi & Prof. Jabir Ali	IIM Lucknow July 26-28, 2006
12.	Managerial Success- A Competency Based Approach	Prof. Anjani Koomar	Nainital (Residential) June 26-30, 2006
13.	Decision Making Techniques for Managers	Prof. Sushil Kumar	IIM Lucknow July 27-29, 2006



## APPOINTMENT



**Dr. Manoj Kumar** joined the Institute as an Assistant Professor in the Finance and Accounting Group, on May 5, 2006 (forenoon).

Before Joining the Institute, **Dr. Kumar** was Deputy Director (Business Planning) and an Associate Professor at University of Petroleum and Energy Studies (UPES).

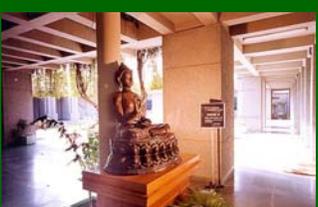
Earlier **Dr. Kumar** was **Chairman (Research & PhD Program)** and Associate Professor in area of Finance & Accounting at Institute of Management Technology (IMT), Ghaziabad. At IMT, he also held the position of **Chairman of PGDBM (Part-Time Program)**. Before joining IMT, he worked as Associate Professor at International School of Business and Media, Pune. Earlier, **Professor Kumar** was an Assistant Professor at Kirloskar Institute of Advanced Management Studies (KIAMS), Karnataka. Prior to shifting to teaching, **Dr. Kumar** worked as Project Officer with HARDICON, a technical consultancy jointly promoted by IDBI, IFCI and nationalized banks. At HARDICON, he worked on several consulting projects.

**Dr. Kumar** did his Ph.D. in Finance from Indian Institute of Technology (IIT) Bombay, India. He has published research papers in journals of national and international repute like *Journal of Applied Finance*, *Vikalpa*, *Management Review*, *Bombay Stock Exchange Review*, and *Indian Management*.

Besides, he has contributed research papers in the edited volumes. He has also presented papers and chaired sessions at several international and national level professional conferences. At **COSMAR**, a **doctoral research paper annual meet conducted by Indian Institute of Sciences (IISc), Bangalore**, his research paper was conferred with **second best paper award in 2001**. He has also been occasional reviewer of the research papers submitted for the journals and conferences. Earlier, he was also associated with the Indian Institute of Management (IIM), Ahmedabad, where he received training in research and teaching. His research interests includes: Initial Public Offerings, Indian ADRs/GDRs, Venture Capital, Credit Ratings and Mergers & Acquisitions

## FROM THE PRESS

- The country's premier B school, Indian Institute of Management (IIM) opened a new campus in Noida on Sunday.



The NOIDA campus, a part of IIM-Lucknow, would primarily impart executive training courses for working people. "The academic structure has been designed through many consultative rounds within the academia and the industry," said Devi Singh, Director of IIM-Lucknow on the occasion.

"IIM-Lucknow is ensuring that its students are given a high-level exposure to the contemporary business processes and modern business tools. The idea behind starting executive management programme at NOIDA Campus is to blend the candidate's rich work experience with the conceptual ideas and strategic inputs for achieving excellent business results," Singh added.

The campus, coming up on 20 acre of land in Sector 62, will have a well-equipped library, class room block a modern computer centre, an automated programme office, furnished hostels with single-seated bachelor accommodation, a large students' mess furnished with modern kitchen equipment, a medical centre and a guest house. It is also equipped with open-air courts for outdoor games like tennis, volley ball, basketball and also a sports complex for indoor games.

*[Excerpts from The Pioneer, Lucknow, May 15, 2006]*

- *Dr Devi Singh Director, IIM-Lucknow On IIM's new campus at Noida.*

**IIM Lucknow has opened up a new campus at Noida. Is that part of your extension plans? What is present status of the campus?**

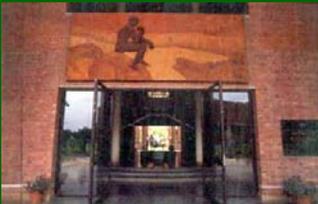
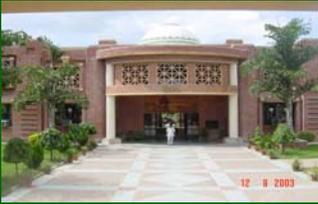
Yes, it is part of our extension plans that we have been trying to implement for long. The campus has started functioning but its entire complex will be completed only by July 2007.

**Is there any specific reason for choosing Noida, which is close to the national capital?**

The campus is located in the region of the national capital. So it's closer to Delhi, closer to policy making bodies, closer to lots of working professionals, closer to various companies and international partners etc.

So that way, its location is important. Nowadays, there's hardly any difference between Delhi and the National Capital Region.

*[Excerpts from The Times of India (Lucknow Times), Lucknow, May 15, 2006, p.01]*



- From the Indian Institute of Management, Lucknow (IIML) to Indian Institute of Technology Kharagpur (IITKGP), management Development Institute Gurgaon (MDI) and Symbiosis Institute of Management Studies, Pune (SIMS), B-Schools have taken a lead in providing cutting-edge professional programme for armed forces personnel.

...IIM Lucknow which introduced a ‘General Management Programme for Defence Officers (GMP) in 2004, is part of the initiative of the Director General Resettlement, Ministry of Defence. The programme provides defence officers, both of Short Service and Permanent Commission in orienting them about the emerging business environment to pursue a second career after retirement.

*[Excerpts from The Times of India (Education Tiems), New Delhi, May 15, 2006, p.10]*

- The Indian Institute of Management, Lucknow, formally started work on its new campus in Noida near here over the weekend.

“The academic structure of the new campus has been designed through many consultative rounds within the academia and the industry. We are proud to extend the excellence of IIM Lucknow to the National Capitol Region,” said IIM Lucknow Director Devi Singh.

The new campus will have a well-equipped library and a modern computer centre besides furnished hostels.

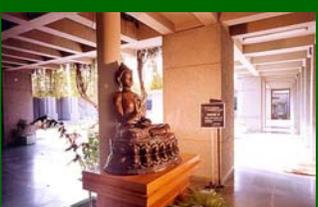
*[Excerpts from The Hindu, New Delhi, May 16, 2006, p.04]*

- IIM Lucknow will organize a course on “Managing Intellectual Property for Competitive Advantages”. The programme aims at imparting knowledge to middle and senior level executives in the private land sector. The programme will also be relevant to the consultants and legal professionals, both in practice and academics.

The Coach: Dr. D.S. Sengar

The Players: Middle and senior level executives in industry and government, consultants and legal professionals, both in practice and academics.

*[Excerpts from The Business Standard, New Delhi, May 18, 2006, p.11]*



## GYANODAYA- RECENT ARRIVALS

1. Bhushan, Navneet and Rai, Kanwal. 2004. *Strategic Decision Making: Applying the Analytic Hierarchy Process*. London: Springer: 172p.
2. Chase, Kerry A. 2005. *Trade Blocks: States, Firms and Regions in the World Economy*: University of Michigan: 310p.
3. Deva, Vasu. 2005. *E-exports*. New Delhi: Commonwealth: 263p.
4. Du Plessis, Eric. 2005. *The Advertised Mind: Ground Breaking Insights into How our Brains Respond to Advertising*. London: Kogan page: 232p.
5. Fine, Debra. 2005. *The Fine Art of Small Talk: How to Start a Conversation, Keep it Going, Build Networking Skills and Leave a Positive Impression*. New York: Hyprion: 199p.
6. Goyal, Santosh. 2005. *She: In Search of Light*. Delhi: Women Press: 180p.
7. Kahn, Si. 2005. *The Fox Henhouse: How Privatization Threatens Democracy*. San Francisco: BK: 290p.
8. Kinni, Theodore and Kinni, Donna. 2005. *No Substitute for Victory: Lessons in Strategy and Leadership from General Douglas Macarthur*. Delhi: Pearson: 266p.
9. Mandelbrot, Benoit B and Hudson, Richard L. 2004. *The (Mis)behaviour of Markets: A Fractal View of Risk, Ruin and Rewards*. London: Profile Books: 328p.
10. Tungate, Mark. 2004. *Media Monoliths: How Great Media Brands Thrive and Survive*. London: Kogan Page: 261p.

## ERRATA

As informed by Mr. Paritosh Chhabria and Mr. Rishabh Gupta (PGP students), there is a change regarding the special award given to students on PGP Annual Day, March 17, 2006. In fact **Mr. Manish Tomer** and **Mr. Shrinidhi Prahlad** refused to accept the special awards and hence, the award was given to **Ms. Niharika Mittal**.