



Indian Institute of Management Lucknow



NEWSLETTER

Vol. XX Nos. 15-18

July 2010

Humans have the remarkable ability to get exactly what they must have. But there is a difference between a "must" and "want."

Jim Rohn

In this Issue:



RESEARCH PUBLICATIONS

Mishra, S.S., and Saji, K.B. (2010). Role of Technology Substitution in High-tech Product Marketing: An Exploratory Study on Indian Firms. Paper presented (by Shashi Shekhar Mishra, FPM Scholar with IIML, who had also participated in the INFORMS 2010 Doctoral Consortium as an invited INFORMS 2010 Doctoral Consortium Fellow) and published in the refereed proceedings of the 32nd INFORMS Marketing Science Conference, organized by the INFORMS Society for Marketing Science at University of Cologne, Cologne, Germany during June 16-19, 2010.

ABSTRACT

In order to gain competitive advantage, it becomes imperative for the high-technology product marketing (HTPM) firms to continuously develop and launch new technology-intensive products in designated markets. The most critical element in New high-technology Product Development (NPD) practice, which is not yet comprehensively researched out, is the notion of technology substitution (TS) in HTPM. To address this research gap, it has been decided to conduct an exploratory research for identifying the role of TS in HTPM with specific reference to the Indian high-tech business context. The broad objective of the study is to identify all possible antecedents and consequences to TS in HTPM. The research design employed for the study is of three-stage exploratory one, which resulted in a theoretical framework. We propose to validate the theoretical framework through a descriptive research in the next phase of our research.

Saji, K.B.; and Mukundadas,V (2010). An Exploratory Investigation of Organizational Antecedents to Development Marketing: The Case of JEEViKA from Bihar in India. Paper presented (by Prof.Mukundadas, who also chaired the session titled 'Not-for-Profit Marketing', wherein the present paper was scheduled) and published in the refereed proceedings of the 32nd INFORMS Marketing Science Conference, organized by the INFORMS Society for Marketing Science at University of Cologne, Cologne, Germany during June 16-19, 2010.

ABSTRACT

Development being a fundamental process, in which something passes by degrees to a more advanced or mature stage, can very well be considered as a product for regions that are less or under developed. The 'development' form of the product, like other product forms, has the capacity to satisfy the needs of the customers who are also most often the consumers in the less or under developed areas or regions of a country. These needs will start emanating first from the very basic infrastructure requirements that are absolutely essential for a region and its inhabitants to develop. Further, the need hierarchy of these consumers is also very dynamic in nature. With these in perspective, we designed an exploratory study that investigates the organizational antecedents to the development marketing process. The limited extant literature on social marketing supported by a carefully chosen case study on JEEViKA, enabled the researchers to identify the potential organizational antecedents to the development marketing process. JEEViKA (Bihar Rural Livelihoods Project) is

promoted by the Government of Bihar in India to address mainly the rural poverty in the North Indian state of Bihar, which ever since its implementation has demonstrated accelerated development.

RESEARCH PAPERS

Ramakrishnan, K. 2010. "Mergers in Indian industry: performance and impacting factors", *Business Strategy Series*, Vol. 11, Iss. 4: 261-68. (Published by Emerald)

ABSTRACT

This study of 87 domestic mergers in India attempts to understand the performance of merged firms and the strategic factors that impact this performance. The study finds that merged firms demonstrate better operating performance as compared to both their industries and their pre-merger performance. Merging firms belonging to unrelated industries appear to be performing better in the long-term as compared to the related firms. Mergers which witness transfer of corporate control demonstrate a better performance than the ones that do not. Sick acquired firms negatively impact long-term performance.

Pindoriya N. M., Singh S. N., and Singh S. K. (2010), "Multi-objective mean-variance-skewness model for generation portfolio allocation in electricity markets", *Electric Power Systems Research*. 80(2010): 1314-1321.

ABSTRACT

This paper proposes an approach for generation portfolio allocation based on mean-variance-skewness (MVS) model which is an extension of the classical mean-variance (MV) portfolio theory, to deal with assets whose return distribution is non-normal. The MVS model allocates portfolios optimally by considering the maximization of both the expected return and skewness of portfolio return while simultaneously minimizing the risk. Since, it is competing and conflicting non-smooth multi-objective optimization problem, this paper employed a multi-objective particle swarm optimization (MOPSO) based meta-heuristic technique to provide Pareto-optimal solution in a single simulation run. Using a case study of the PJM electricity market, the performance of the MVS portfolio theory based method and the classical MV method is compared. It has been found that the MVS portfolio theory based method can provide significantly better portfolios in the situation where non-normally distributed assets exist for trading.

WORKING PAPERS

Bisen, Aditya and D. Tripathi Rao, 2010, "Currency Forwards, Volatility Clusters and Hedging Currency Risks: An Emerging Market Perspective", IIML Working Paper No 2010-07,

ABSTRACT

Firms in emerging markets often use forward contracts to hedge currency risk. While they normally serve the purpose, but are imperfect hedging instruments in highly volatile periods with volatility clusters affecting the forward premiums and making hedging unattractive. Since currency forwards are mainly short-term instruments with maximum liquidity concentrated in one, three and six month segments, single exposures in the distant future must be hedged through roll-over of short-term contracts. However, with volatility clusters generally extending beyond the expiry period, the roll-over of contracts could also become particularly costly. Multiple exposures, such as, debt service payments, often hedged by entering into a new forward contract at the beginning of the payment period, face similar problem because volatile market conditions transfer spot volatility to future earnings by way of derived volatility in forward rates. While the way forward is to buy/sell multi-period contracts for hedging in order to avoid the risk of getting caught in a volatility cluster, efforts should also be to build natural hedges to minimize currency risk as far as possible.

BOOK PUBLISHED

Communication for Management. Roshan Lal Raina, Iftikhar Alam, and Faizia Siddiqui. Lucknow, World Press, 2010: 362p.

About The Book:

Communication is an integral part of everyday managerial interaction. Sizable empirical evidence demonstrates a strong correlation between effective communication and success in corporate life. It is the most effective tool for making the transition from a manager to a leader. Given the knowledge-driven-context that we are in, communication has assumed the character of 'life-skill' for individuals as well as organizations to stay ahead of their competitors. Addressing this key concern, this book titled 'Communication for Management' is a sincere effort to provide the knowledge seekers a learning resource that explains the basics of managerial communication. Though the book is based on the UPTU syllabus, yet academics (students and teachers) as well as professionals, interested in developing this key competency, would find the concepts, theoretical frames, and illustrations discussed here very useful to hone this skill. The approach the authors have followed is that 'communication' is a skill and can be honed if practiced well. An attempt

has, accordingly, been made to help an individual: (i) assess his/her communication profile; (ii) to know what to practice to improve that profile; and (iii) to know how to practice. The book, therefore, presents useful tips with proper real life illustrations on honing 'expressive' - ['oral', 'written'] as well as 'receptive' - ['listening', 'reading'] skills. The text moves in a logical order, starting from the basics of communication to its multifaceted scope and applications in management.

OTHER ASSIGNMENTS

- Prof. K G Sahadevan has been appointed as the member of Consultative Group under the Chairmanship of Dr. Ashok Gulati by the Ministry of Consumer Affairs, Food and Public Distribution, Government of India. The Group will be reporting to Forward Markets Commission on various technical and operational issues of concern to the futures trading in various commodities. The tenure of the Group is one year with effect from 28 May, 2010.
- Mr. Mustahsan Usmani Raja was invited by Jawahar Navoday Vidyalay (JNV), Barabanki on May 17, 2010, as a resource person to deliver a lecture to newly appointed librarians. The programme was attended by 50 JNV's librarians from all over India.

EVENTS DURING THE MONTH

IIM Lucknow, established in 1984 by the Government of India as a national level school of excellence in management science, held its 26 years of Celebrations at its campus on Tuesday, the 27th of July. The celebrations that began in the afternoon and All faculty members, officers and staff members along with their families were invited to attend the celebrations and make the function a success.

Later, meritorious children of IIML Community were presented awards by the Prof. M. Akbar to encourage academic excellence. Later, in the evening, a cultural programme was held at Samanjasya, where a musical programme was performed by IIML student's band called 3 point 2.

IIM Lucknow students take lessons from Bollywood

R. Balki, Ad Film Professional-turned-Film Director provides students an insight into the Indian advertising industry.

IIM LUCKNOW as part of 'Prodigies – the Leadership talk series' facilitated by the student run Industry Interaction Cell of IIM Lucknow invited one of the most creative minds of the country - R Balakrishnan, aka R. Balki, Ad Film Professional-turned-Film Director. R. Balki is the Chairperson and Chief Creative Officer (CCO) of Lowe Lintas and the director of Cheeni Kum and Paa.

MANAGEMENT DEVELOPEMENT PROGRAMMES

NAME OF THE PROGRAMME	PROGRAMME DIRECTORS(S)	DURATION	VENUE
Public Policy for IES Probationers	Prof. D Tripathi Rao & Prof. Himanshu Rai	July 5-16, 2010	Lucknow
Marketing & HR Orientation for High End Development Officers of LIC	Prof. Devashish Das Gupta & Prof. Payal Mehra	July 7-9, 2010	Lucknow
Strategies for Effective People Management	Prof. Pankaj Kumar	July 8-10, 2010	Lucknow
Effective Communication for Managerial Success	Prof. Neerja Pande	July 12-14, 2010	Noida
Understanding Self for Managerial Excellence for NHPC Executives	Prof. Pankaj Kumar	July 12-15, 2010	Lucknow
Finance for Non-Finance Executives	Prof. Prakash Singh & Prof. Ajay K Garg	July 12-16, 2010	Lucknow
Decision Making, Problem Solving and Creativity	Prof. Sushil Kumar	July 12-16, 2010	Lucknow
Strategic Market Planning for Profitability and Growth	Prof. Saji K B Nair	July 12-16, 2010	Lucknow
GMP for BPCL Executives	Prof. M Akbar & Prof. D Tripathi Rao	July 12-17, 2010	Lucknow
Marketing & HR Orientation for High End Development Officers of LIC	Prof. Devashish Das Gupta & Prof. Payal Mehra	July 14-16, 2010	Lucknow
Supply Chain Management	Prof. Sameer K Srivastava	July 19-21, 2010	Lucknow
Effective Leadership and Conflict Resolution for IFS Officers	Prof. Himanshu Rai	July 19-23, 2010	Lucknow
GMP for Powergrid Corporation of India Ltd.	Prof. Archana Shukla	July 19-25, 2010	Lucknow

FORTHCOMING MDPs



NAME OF THE PROGRAMME	PROGRAMME DIRECTORS(s)	DURATION	VENUE
Effective Leadership and Management Skills for Navodaya Vidyalaya Samiti	Prof. Sushil Kumar (CFAM) & Prof. Payal Mehra	August 2-6, 2010	Lucknow
AMP for Indian Audit & Accounts Services Trainees	Prof. Manoj Anand & Prof. Pankaj Kumar	August 2 - September 11, 2010	Lucknow
Retail Business Efficiency Development Programme for High End Development Officers of LIC	Prof. Devashish Das Gupta & Prof. Payal Mehra	August 4-6, 2010	Lucknow
Business Communication Skills for REC Executives	Prof. Neerja Pande	August 9-11, 2010	Lucknow
Retail Business Efficiency Development Programme for High End Development Officers of LIC	Prof. Devashish Das Gupta & Prof. Payal Mehra	August 11-13, 2010	Lucknow
Public Private Partnership for Innovation in Agriculture (NAIP)	Prof. Sushil Kumar & Prof. Jabir Ali	August 16-20, 2010	Lucknow
GMP for BPCL Executives	Prof. M Akbar & Prof. D Tripathi Rao	August 16-22, 2010	Lucknow
GMP for NTPC Executives (ERHQ)	Prof. Prakash Singh & Prof. S M Satish	August 23 - September 3, 2010	Lucknow
Retail Business Efficiency Development Programme for High End Development Officers of LIC	Prof. Devashish Das Gupta & Prof. R L Raina	August 25-27, 2010	Lucknow
Knowledge Management for the Executives of Power Grid Corporation of India Ltd.	Prof. Archana Shukla	August 26-28, 2010	Noida
Marketing of Tourism	Prof. Devashish Das Gupta	August 30-September 1, 2010	Lucknow



*Indian Institute of Management Lucknow
Noida Campus*



MANAGEMENT DEVELOPEMENT PROGRAMMES



NAME OF THE PROGRAMME	PROGRAMME DIRECTORS(s)	DURATION
G M P for Defence officers	Prof. Rajeev Kumra & Prof K Ramakrishnan	July 05-December 18, 2010
MDP on Effective Communication for Managerial Success	Prof. Archana Shukla	July 12-14, 2010

MDP on Management & Strategic Control of Projects through Leadership Excellence for the Executives of National Informatics Centre

Prof. N K Gupta & Prof Ajay Singh

July 19-30, 2010

FROM THE PRESS

TIMES OF INDIA NEW DELHI 26 JULY 10

GLOBAL PERSPECTIVE

Hughes Communications India Ltd and the Indian Institute of Management Lucknow (IIM-L) have launched the first executive Global Business Management (eGBM) programme (eGBM) on the Hughes Interactive Onsite Learning platform. eGBM programme will help equip managers and professionals with diverse perspective, leadership styles and skills required to lead their organisations in all economic environments. The course leverages use of technology and has been designed to be highly interactive which includes a judicious blend of lectures, case studies, assignments and sessions from senior managers in industry and firms. Speaking at the launch, Ajay Singh, IIM Lucknow, said, "IIM Lucknow's objective has been to help professionals refine their skills and improve the management of corporate and non-corporate sectors, through pursuit of excellence in management education and training. This programme helps participant master new skills, develop global mindsets and leadership styles to move up further along their career."

BUSINESS STANDARD NEW DELHI 26JULY2010

IIMs MAY EXPAND BUT AT A COST

Brand IIM could take a beating if it fails to find quality faculty as it grows

KIRTIKA SUNEJA

The managements of the premier Indian Institutes of Management (IIMs) are sitting on the horns of a dilemma. The Ministry of Human Resource Development (MHRD) wants them to add capacity. It reasons this will help in nurturing good quality students who may even take to teaching later, thus increasing the number of good faculty members. This would also help in increasing the gross enrollment ratio (GER), which stands at around 12.4 per cent.

Towards this end, under the 11th Five Year plan, the MHRD entailed, among other things, the setting up of eight Indian Institutes of Technology (IITs) and seven IIMs.

The IIMs nod in agreement. However, they believe that rapid capacity expansion could defeat the very cause they have set out to achieve. Consider this. The established IIMs increased their student strength by anywhere between 10- and 35 per cent over the last one year.

But where is the faculty to cater to the additional students? At present, the seven IIMs have around 400 full-time faculty members and need another 60. With four new IIMs to come up in the first phase (2010-2011), another 250 faculty members would be required. IIMs meet less than five per cent of India's need for management education. They not only generate qualified faculty for their own

CLOSE COMPARISON

STUDENT STRENGTH

	2008	2009	% INCREASE
IIM Ahmedabad	318	350	10
IIM Bangalore	271	350	29.1
IIM Calcutta	304	408	34.2
IIM Lucknow	326	374	14.7
IIM Indore	240	240	0
IIM Kozhikode	261	312	19.5
RGIIIM Shillong	64	66	3
IIM Rohtak	-	50	-
IIM Ranchi	-	54	-



needs but also for other management institutes.

"My concern is that unless we have adequate and good quality faculty, there will be no point in adding capacity. We are expanding a bit too fast because supply of good faculty is not there," says Samir Barua, director of IIM Ahmedabad (IIM-A) which saw a 10 per cent increase in its student intake in 2009-10.

Much of the increase in student strength is because of implementation of the other backward classes (OBC) quota — another cause for heartburn. "After the Supreme Court order, we had no choice but to increase the student intake but this only increases the number of people at the bottom of the pyramid," says another IIM director wishing anonymity.

Devi Singh, IIM Lucknow's (IIM-L) director adds another perspective. He says, "Though increased student strength would mean that more stu-

dents would get access to good quality education, two years down the line, at the time of placements, the job market will be under pressure and hence, job profiles and salaries could change". "Infrastructure is another challenge because when you talk about IITs and IIMs, there is an implicit angle of quality," adds Singh.

Even Union HRD Minister Kapil Sibal had earlier told this paper that "...we have to make sure there is capacity to spend. It takes time to set up institutes like central universities, IIMs and IITs. Sometimes sites are not decided and there is the issue of faculty needs. So, though classes may start and students may come, a full-fledged campus may take time."

The MHRD had stated its intention to establish seven new IIMs. Four IIMs were to be set up in Tiruchirappalli (Tamil Nadu), Ranchi (Jharkhand), Raipur (Chhattisgarh) and Rohtak (Haryana) in 2009-

10. The remaining three are to be set up in Jammu & Kashmir, Uttarakhand and Rajasthan in 2010-11.

In phase-I, 140 students would be absorbed in the Post-Graduate Programme (PGP) course after which the number would be increased to 560 students a year once the remaining IIMs are set up.

Mentoring of the younger IIMs is another grey area. IIM Trichy is mentored by IIM-Bangalore while Raipur by IIM Indore, and Ranchi by IIM Calcutta. Rohtak is getting support from IIM-L. IIM-A is supposed to mentor IIM Rajasthan (which is slotted to start next year).

The task can be taxing with no regular director or teachers on board. For instance, professors from IIM-L have been visiting Rohtak on alternate days, reportedly spending nights at the faculty house in Maharshi Dayanand University, Rohtak. The staff from Lucknow has travelled by air

from Lucknow to Delhi and by road from Delhi to Rohtak. So there's a cost involved too.

Allocation of funds is another issue troubling IIMs. Union Finance Minister Pranab Mukherjee allocated Rs 400 crore in the 2010-11 Budget to set up new IITs — 33 per cent higher than Rs 300 crore in 2009-10. The money set aside for new IIMs has been raised from Rs 3 crore (revised) in 2009-10 to Rs 25 crore in 2010-11.

The IIMs, however, are not happy with the budget. The allocation, they believe, is insufficient since the increase will be eaten by inflation and paying extra wages due to the increase post the Sixth Pay Commission. As a result, it could cut into the funds for refurbishing the infrastructure.

It took years for existing IIMs to be set-up and make a name for themselves, point out the directors. Hasty, unplanned expansion could cost them dearly.

IIML NEWSLETTER



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