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AbhiVyakti

...Expressing Synergies



Department of Management Studies
National Institute of Technology, Tiruchirappalli-15

Erudition

Knowledge remains futile, until applied. The academia and the industry realize that they have a symbiotic existence. One is virtually ineffective without the other. DoMS gives its students Industry inputs with strong academic concepts to render them invaluable in any field that they chose to make a foray into. The plethora of guest lectures organized in the past two trimesters stand testimony to the above fact. Erudition tries to capture some of the stimulating moments and the valuable experience- sharing sessions between the industry experts and the students.

Guest lecture on Materials Management by Mr. Marudha Muthu

Mr. Marudha Muthu, Deputy General Manager – Purchase, BHEL, Trichy delivered a thought provoking lecture on 18-Dec-2006. He delved into the nitty gritty of the Purchase Activity, Materials Management and Inventory Control measures. Emphasis was given on the basics of safety stock and vendor development. With his vast experience and in depth understanding of the industry, Mr. Muthu made the subject fascinating and captured the students' attention with great élan.

Role of IT in Banking by Prof. P.C. Narayan

On 22nd December 06 DoMSians had the privilege of interacting with Prof. P.C. Narayan of IIMB. Prof. Narayan, an alumnus of NIT-Trichy and XLRI-Jamshedpur, has a rich and varied experience in the banking industry, prior to joining IIM-B. Having traveled to over 40 countries, and worked or implemented projects in 20 different countries, he brings with him a unique cross-cultural perspective and a breadth of global experience. Prof. Narayan has an inimitable style of teaching, juxtaposing humor with academic contents to make the sessions interesting as well as appealing. He shared informative insights into financial markets, international banking, regulation and monetary policy, micro-finance and technologies related to banking.

Retail Market – The Models & Practices prevailing in India by Dr. Sakthivel

The guest lecture held in the department by Mr. Sakthivel from LIBA-Chennai on Retail Models in India and the concept of Mall. He started his lecture with an introduction of the different models prevailing in Indian market like – Flea Market Model, Labour- intensive model, Asset Light model, Tea- Kadai model, Community model and Asset Heavy model.

He coined some new formats and practices like “Hole in the wall format” followed by “Paanwala’s in North India” which though prevalent in Indian market are not recognized as genuine marketing tactics. Location is the keyword in retailing which foresees success of any company. Value proposition & Zone of influence are the two key-terms which play major role in the road to success in retailing.



Mr Sakthivel giving important insights on Retail industry in India.

Mr. Sakthivel then went on with Mall Planning which included - Realizing the anchor store, structuring the brand space & finally taking a shopping layout for the distribution of stores. Finally before leaving the podium he said “Look out from your window, you will find marketing in every element of the world”. This statement summed up the learning of the entire session; you don’t require a book to formulate marketing strategies, but only a proper understanding of the environment you are a part of.

Guest Lecture on Lean Management by Professor B. Mahadevan

Professor B. Mahadevan, Professor of Management in IIM Bangalore shared his prolific knowledge on Lean Manufacturing with us. He started with the basic philosophy of Lean Manufacturing: Just In Time and Total Quality Management. Gradually he reached to the concept of “Waste Elimination”. The concept of Waste Elimination threw light on the aspect of the Best Practices, which is the most basic requirement of present scenario.

Waste elimination is the ongoing technique. Once a fault is found out in the manufacturing process all concentration is given to remove it fully. This finally leads to the adoption of the Best Practices. He also emphasized the value stream which includes; quality, speed, value and flexibility. Value stream is a combination of coordination and cooperation. Value stream leads to waste elimination and ultimately waste elimination helps in following best practices.

The basic idea imparted in lean manufacturing is: improving the manufacturing process and lowering down the price and time.

We, the students of DOMS NIT show our deep gratitude to the professor for his contribution.

Guest Lecture Marketing Research by Professor Xavier

Key words like appropriate marketing sense and “smell of the market” provided platform for the Marketing Research guest lecture session on 7th March 07 .Prof. Xavier from IFMR and Prof. Chaterjee visited the campus to share their rich experience and knowledge in the domain of Marketing Research.

They started with an unusual self by asking the students to make it an interactive session. They started with some recent shifts in approach of marketing research which is now

looking to behavioral data from attitudinal data. They addressed the questions with lively examples from the market arena & inculcated some practical approach in the domain.

Lastly they emphasized, “No research is complete without identifying the market scenario & its elements.”
So, Sense and then respond...

NLP Guest Lecture

An informative Session on Neuro-Linguistic Programming was handled by Mr.S.Janakiraman on 24th March 2007 for the second year students as apart of the Personal growth program. Mr.S.Janakiraman is currently General Manager (Lean) in Hindustan Aeronautic Ltd. Having put in 5 ½ years of experience as the Principal of HAL Corporate Training Centre, Mr. Janakiraman handled the session deftly .Being a qualified trainer of Neuro-Linguistic Programming, he slipped into the role of a teacher with practiced expertise.



NLP Guest Lecture: An Enriching experience indeed...

Keeping the audience in splits from the start, Mr. S. Janakiraman, explained the nuances of NLP with consummate ease, and made the session fascinating with various practical examples & role plays.

Alumnus Speaks

Recently Mr. Vijayanand, an illustrious alumnus of DoMS, presently with IBM, visited the campus. He addressed the first year students on how summer projects serve as stepping stones for jobs in related areas. His insights on summers focused on the importance of framing the objectives for the project & selecting the right research methodology. He also spoke about sales being an integral part of marketing in a systems company and the importance that is attached to experience in such domains. Moreover, he stressed on the importance of patching up in relationships (alliances) for the companies to provide end-to-end solution to customers.

Guest Lecture on Information Security & Control by Ms. Sheila Anand

The Guest Lecture was organized for MBA II year students and it covered various paradigms of Security in today's organizations like Personnel Security, Physical Security, Disaster Recovery Planning and Business Continuity Planning & Implementation. She talked about the importance of rightful HR policies of Hiring, Screening, Security Awareness Training and Separation of Responsibilities in the context of Information Security. Moreover she stressed on the importance of proper Business Impact Analysis, selection of Apt Strategy and precise Development, Documentation, Testing & Maintenance for Effective Information Security Planning.

Markuest

Rebirth into foray: A Marketing Perspective

It's not necessary to build an empire like Mittal Steel or become a billionaire like Azim Premji to make to the Forbes magazine; a corporate thesis as basic as excelling in your business can also take you there, like -- Rajiv Bajaj

Buland bharat ki buland tasvir- Hamara Bajaj

The long standing slogan has given way to new ones with the passage of time, a testimony to the fact that change is being embraced with open arms in the Bajaj clan. Bajaj Auto is now back in business, ready to take on new challenges, chasing the dream of toppling the market leader in the two wheeler auto-mobile industry, with renewed vigor and zest.

Times have changed, smart work has taken precedence over hard work, policies have been replaced with strategies & products have lost their sheen to mega brands. Companies all over the world have had to adapt themselves to this phenomenon, evolving into customer centric organizations with the needs of the customer at the helm of all operational activities.

Bajaj, given its traditional outlook, had a delayed start in the process of change. Not being current can be suicidal in an environment that undergoes major upheavals almost every day. It took a while for the leaders of the company to realize that something was seriously amiss with the way the company was responding to its external environment. Now the company is recognized for its reduced response time, differentiated features, marketing strategies & above all customer relationship management.

Bajaj Auto has been a story of triumph .The Company is poised to achieve greater heights under the aegis of Rajiv Bajaj, Managing Director Bajaj Auto Ltd. Mr. Rajiv Bajaj, ambitious and aggressive in his approach, has been instrumental in resurrecting the past glory of the Bajaj clique. From a point where all the two wheelers of the company were making losses, today the company has posted a net profit of \$ 238 million with sales of \$ 1.9 billion last year, ensuring itself a place in Asia's Fab 50 list. The company currently enjoys a market share of roughly 30 % and this deepens their cash reserves to the tune of a whopping Rs. 5000 crores.

The journey to the top was full of trials and tribulations but sheer perseverance and the vision of a glorious future saw the company through the rough patch.

Year 2000, Rajiv Bajaj unofficially took over the reins of the family-run business. Barely a year later Rajiv sensed that something was seriously amiss with the way the company was being run. They had started losing their lead in the two-wheeler market, for the first time in 45 years. Motorcycles had taken over the market in a big way and Hero Honda's dominance was such that all bikes, regardless of the brand, were known as "Hondas".

Scooter sales dropped by a huge 38 per cent and Bajaj Auto which had primarily concentrated on this segment saw its operating profits plunge by a terrifying 48 per cent leading to the crash of its stock prices by almost a third of its opening price.

The turnaround.....

The management was baffled and the top executives of the company were indulging in blatant blame game. Distrust and hopelessness were palpable as everyone seemed to be moving around, aimlessly. The fear of impending disaster loomed large over the company. To bail it out of doldrums, the company needed a

dynamic leader with immense business acumen and the ability to envisage a vision that would be shared by the all the stakeholders of the company. Someone with the ability to hold the firm together, set the right goals and provide the right impetus to achieve them. It was during this phase of extreme distress that Rajiv Bajaj took over and in total Hollywood movie style, rescued the company from the clutches of bankruptcy and closure. Blessed with astute analytical skills, Rajiv Bajaj looked within the company for problems as well as the solutions. After identifying the problem, Rajiv went ahead with various drastic but much required measures like cutting the supplier ranks, headcount reduction and closure of plant to name a few.

He initiated the transformation by:

- Revolutionizing the company, by transforming it from a stodgy scooter manufacturer to a tech-happy motorcycle maker.
- Reworking positioning & pricing strategies.
- Establishing BRAND image by differentiating its products, service offering.
- Changing the mindset of the workers. The new plant set up at Chakan has got around 800 employees whose average age is 24. This was a deliberate step to let go of the baggage that the older generation at Bajaj had.
- Vendor development and rationalization - to ensure vendors partnership and commitment to the process. This way the cost was brought down drastically. Reduced cycle time, lead time and better inventory management created a win-win situation for all the parties. More and more processes were outsourced enabling the company to focus on the core areas of its operations.

With huge investments in research and development the company has been able to come up with hot sellers like the Pulsar and Avenger. This has facilitated them to keep their warranty costs to the minimum, currently an enviable Rs.18 per vehicle. In a scenario where the volumes are quickly growing to the extent of 41% in fiscal 2004, the reduced cost of warranty is quite significant.

The road ahead is dotted with ambitious milestones like overseas expansion and exploration of new markets. Bajaj also plans to introduce the next generation of scooters, which promise to be more stylish and technologically advanced than what they currently have to offer. Embracing change seems to be the latest Mantra in the company!!!

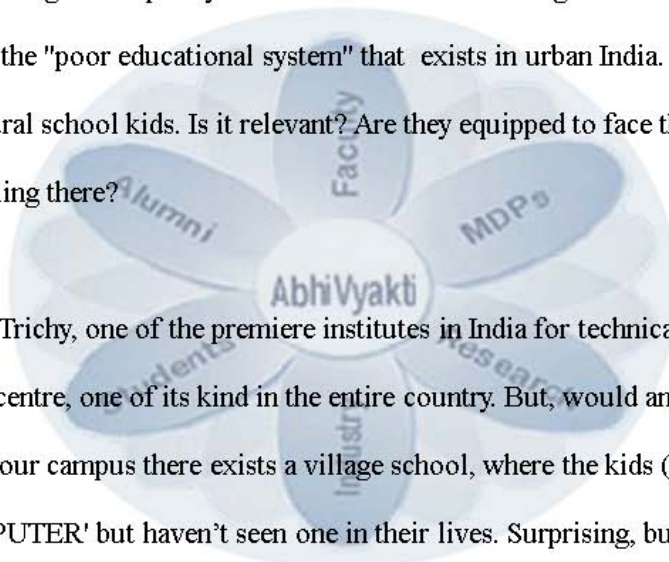
“Visions weaving dreams into reality, Commitment leading to results”



Back to school...

Back to School? Which school am I talking about? The B-School? Well, that's over now. The school here refers to the primary and middle school. Confused? Read on. You will find out yourself.

The importance of education cannot be overemphasized and a glorious example in sight is the recent budget. Our beloved PC has increased the educational cess to 3% and has done his bit to promote education. Well, I would say, this is something that is extremely essential in the present situation and kudos to PC. But, are we looking at the quality of the education that is being delivered? I am not talking about the clichéd concept of the "poor educational system" that exists in urban India. I refer to the content that actually reaches the rural school kids. Is it relevant? Are they equipped to face the world once they finish their schooling there?



I am a student of NIT, Trichy, one of the premiere institutes in India for technical education which boasts of a hi-tech computer centre, one of its kind in the entire country. But, would anyone believe if I told you that, 15 minutes from our campus there exists a village school, where the kids (aged 15 or 16) have just heard the word 'COMPUTER' but haven't seen one in their lives. Surprising, but sadly true!!! Want more surprises? The teachers who teach them haven't seen one too. Aren't we staring at a picture with 2 contrasting shades???

So what can be done about it?? Aren't we just wasting time complaining about the lack of initiative in our country?? Can we do anything about this sorry state of affairs?? Can't we change the rules of the game?? These questions were enough to rouse 4 enthusiastic, final year engineering students of NITT to head for the village school and make a difference in the children's lives. Soon, as the word spread, 4 MBA students joined the journey. And I am happy to be a part of the bubbling team*.

So what are we up to?



Nurturing Managerial (& Humane) excellence!!!

We are **SPIRIT-Ed**, the pioneers of Students' Participatory Initiative for Rural IT Education. With active support from our college, we managed to install two computers in the school. A room in the school has been allotted for this purpose. A team of 3 cycle down to the school every day and teach the students, (taking 1 class each day) the basics of computer operation. The class goes on for an hour. A short theory session is followed by a practical session. Each student gets to handle the machine and learn the mouse and keyboard operations. Instructions are mostly given in Tamil.

But, we also communicate in English, so that, they get used to speaking simple sentences in the language. The reaction? The day, the kids saw the computer, the team of 3 was not enough to control them. Their inquisitiveness and enthusiastic response is so encouraging that we are planning to extend this program to the nearby villages soon. We realized that, their learning capabilities just cannot be under estimated. They are as good as any student of their age from a school in the heart of Chennai, the only check on their unbridled enthusiasm being the non-availability of resources.

We might not be able to teach them computers extensively. But we have the satisfaction of having started an initiative that will surely benefit them someday in the future. This model could be adopted in any college and trust me its no big deal at all. It just needs some coordination, patience to handle kids and the most important one being, 'the willingness to make a difference'.

Anyone game?????? Try it... You'll love it!!!

This article has been written by A. Sowmya (MBA II Year), who along with Balaji.N, Radha S, Shiuli Chanda and Aravind (MBA I Year) is a part of SPIRIT-Ed. The program has received tremendous support and encouragement from the administration at NITT. The program was also covered by The Hindu, Trichy.



SPIRIT-Ed is a noble initiative undertaken by the students of NIT Trichy to provide computer literacy to children for whom the word computer sounds more like a luxury. The initiative was covered by Hindu and the following article was published in the paper on 12th April' 07.



SPIRITed Sowmya!

Their every day schedule is between 9 a.m. and 4 p.m. After the rigour, the craving of the kids to learn surges again. This time for practical indulgence into the literacy that conforms to global parameters.

Of the 300-odd children of REC Middle School, around 40 in the higher classes stay behind, excitedly awaiting the tutors. Their faces beam at the sight of 'akkas' and 'annas' from the National Institute of Technology, who don the mantle of computer teachers with equal enthusiasm.

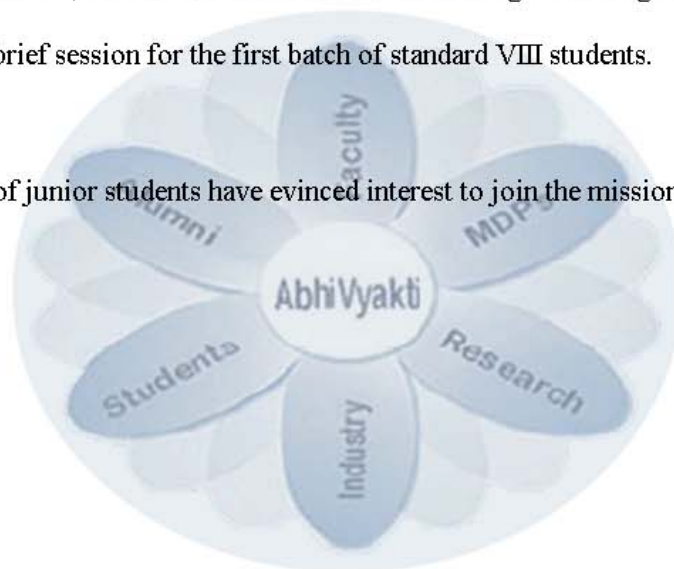
The NIT students take pleasure in letting the nimble fingers of the kids play with the machines; in a methodical way, of course. Fifteen final-year students are into the mission of imparting computer literacy to the children from rural school. The initiative christened 'Spirit-ed' stands apart from various other social activities undertaken by the institute. Unbound by any time limit, the initiative that is only two months old now is flexible enough to cover several rural schools in the years to come. What more! It has inspired a handful of colleges to follow suit.

Thanks to the fulfilling experience of teaching computers to slum children that Aditya, a final-year NIT student had during his last summer vacation at Kolkata. The spark gave birth to the project that took shape in February when Aditya joined hands with ten of his batch mates to take computer literacy to St. Joseph's High School, an aided institution at Ayanpatti.

The success of the initiative has egged them on to extend their mission to nearby schools. Their first pick was the REC Middle School right inside their compound.

The Director of the Institute, M. Chidambaram was more than eager to inaugurate the task at the school. He himself handled a brief session for the first batch of standard VIII students.

Interestingly, a group of junior students have evinced interest to join the mission.



Finesse

Is Indian Economy Overheated?



The talk about India's over stretched valuation has become louder with Morgan Stanley joining the ranks and raising concerns relating to an overheated economy along with the tightening liquidity scenario. Although there is no doubt about the long term structural policy but, in short term, the pace of market appears to be much faster than the economy's capacity to deliver. The inflation which is measured by whole sale price Index (WPI) increased to 6.58 (and could cross 7%) primarily due to rise in price of food products.

The RBI reacted with an increase in CRR to 6.5% from 5.5% (last December, the CRR was increased to 5.5%). This will suck Rs.1400 crores from the banks and hence they will be left with less money to lend. As a consequence, the banks are left with no options but to raise their lending rate and interest rate on deposits resulting in a slow down in consumer credit.

The market reaction to this monetary policy has been striking with the Sensex sliding below the psychological 14,000 mark. The BSE Bankex was the top loser among BSE sectoral indices (3.99% fall to close at 6976.8. Such volatility in the market tends to make debt instruments more attractive in relation to equities, as the former carry a lower risk (small saving instruments are risk free as they are guaranteed by government). This will result in a portion of investments shifting from equity to debt.

The Government also has recently taken many steps to check inflation rates. To quote a few, NDDB was asked to import skimmed milk powder (SKP) at zero duty to enhance supplies, a ban has been imposed on wheat exports, private traders have been urged to import pulses speedily and in huge quantity at an early stage. In view of political sensitivity, government is monitoring all essential commodities closely.

In case of commodities like onion, the government is closely watching the market and waiting for fresh supply as there is no scope to import them. Also, efforts are being made to import pulses.

The traditional method of curbing inflation, though effective, has its own flaws. The bank and bond players are upset with the timing the two CRR hikes that came their way recently. Just after RBI as banker to the government completed bond auction, banks and bond houses, which had invested in the auction, had to take a hit. The fiscal measure like banning wheat export will also have limited effect as world prices are high as compared to Indian price.

The basic definition of economy is optimum use of scarce resources. Hence the thrust should be on over all management of these scarce resources rather than concentrating just on the fiscal and monetary policies. The prime concern at this stage is to settle the food prices keeping in view the deteriorating environmental condition and continuous low yield. With growth of manufacturing sector at 8.2% for the 2005-06 fiscal, the future risk of inflation can be attributed to food articles. Hence a long term food policy is needed. Initiatives must be taken in the Biotechnology front to develop sustainable varieties of seed. The other problem faced by farmers is low rainfall. A workable strategy should be developed by the government to conserve the rain water and reduce the uncertainty. On the other side, a boost to FDI in retail could keep food prices low by bringing in new technology.

The banks should come with more new methods to tackle liquidity crunch as RBI hinted, to tap the resource base of regional rural banks. The total deposit of these banks is Rs. 74200 crore but only 58% of the total deposits are mobilized. Our eleventh five year plan targets at a growth of 9% as compared to 7.6% achieved in last year. This is surely not an easy target. It is not about attaining a 9% growth rate. It is about sustaining it over the years to come and consistently doing better than the previous year.



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