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# INDIAN MANAGEMENT: A GLOBAL MODEL

Manishankar Chakraborty ★

## Metamorphosis in Management

The world of Management has undergone a tremendous change over the last two decades. Countries, companies and human citizens across the globe have reacted differently to these changes. While few economies, notably the developed ones today were the first to change accordingly and leverage the first mover advantage, the followers simply had to align themselves with the changing times. However, the yawning gap which was widening between these economies till a few years earlier, suddenly started to shrink as the emerging economies (earlier read as developing economies) have initiated reforms at a fast pace. All these shifts coupled with the rapid strides in the field of science and technology has brought in a plethora of challenges to all the stakeholders. Competition has always been the mother of inventions and this time round it was the same. As companies jostled to grab mindshare and market share, companies started to focus on their product innovation, services delivery like never before. This in turn put the emphasis on talent attraction and retention. Knowledge workers became the norms for the industry which paved the way for novel management concepts, theories and practices. Indian companies which until now were not paying the credit to their human capital suddenly woke up from their slumber and started devising newer management concepts. Even practices lent from their western counterparts were first customized to suit their own need, after which they were put in practice. This topsy-turvy approach might have led to the some extinction, but those industries which could redefine their ways of doing business made it big at the global stage. It also brought in India specific theories of management which had more tangible insights rather than the ones blindly imitated from the west.

## Human element took the center stage

It is evident from the figure that men is pivotal to the management of all the resources viz. materials, minutes (Time),

machines, money and even he himself. Digitization, mechanization, automation are the buzzwords today. One can avail e-banking, home banking, tele-shopping, commerce on the web(e-commerce), mobile commerce (m-commerce) and many other benefits which became a reality today. Even design for complicated products like automobiles were made easier and error free with the help of CAD (Computer Aided Design) and CAM (Computer Aided Machines). Software support across functional areas was being used with finesse resulting in optimized end result. In spite of these entire developments, human element is still the nodal body to all functions of a modern day organization. ATM (Automated Teller Machines) might have simplified the money withdrawal, but the consumer yearns for that emotional and personal touch which has put the need for concepts like CRM (Customer Relationship Management). Tomorrow one might even witness robot serving customers or making enquiries but one need to understand the fact that no amount of technical up gradation can substitute the human element involved in the whole process. Services sector managers would always love to substitute men with machines, especially because machine can make the service delivery a uniform one. The drawback of putting machine in place of men might also have its flip side, as a programmed device cannot instantaneously react to the customers changing need and expectations. It is here where the Indian touch of management through the emotional and personal chord can do the necessary changes required while complimenting men with machines. Moreover, with knowledge sectors spreading their tentacles outside their traditional new economy based industries like Information Technology (IT), Information Technology based enabled services (ITeS), biotechnology to even old economy and traditional sectors like manufacturing, there is a urgent need

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★ Faculty Management, Department of Management Studies and Research, Tirpude College of Social Work, Nagpur.

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for companies to put in practices aligned and focused towards both internal and external customers (employees and consumers respectively). Relationship Managers have become the norm in most of the companies adopting the services based growth model as they have realized the significance of bridging the professional divide with a personal push. Managing HNI (High Net Worth) individuals through personalized services have made this business model of banking and other financial services sector takers in many other industries like hospitality, healthcare to name a few.

### **Indian employees over the moon!**

The emergence of the new age services sectors like IT, ITeS has resulted in India being crowned as the global powerhouse in back office jobs. Companies like Convergys, Oracle, Microsoft, Genpact to name a few are continuously trying to scale up their India operations in order to tap the highly efficient but economical manpower available in the country. The strategic benefit of time zone difference between India and other developed markets like US and Europe has been the icing on the cake. The amount being dished out (for their Indian operations) by these global giants might be a minuscule sum as they are incurring in a recently appreciating rupee, the value of which is often very insignificant in comparison to global currencies like dollar, pound or even Euro. These mouth watering packages are compelling Indian companies to follow suit to retain their employees as they are either poached by bigger MNC rivals or the employees decides to switch loyalties on their own, courtesy the difference in terms of pay packet, sops and fringe benefits. The phenomena of too much of pampering by the employers are leading to a mindset where employees have started feeling to move over the moon which is having a detrimental impact on the employers bottom-line. Overseas companies are now contemplating setting up shops in newer and more employer friendly terrains like China, Southeast Asia. It is time the labour laws are amended keeping in the mind the challenges posed by many of the rivals from the BRIC (Brazil, Russia, India and China) and other newer hotbeds like Singapore, Philippines, Thailand, Malaysia to name a few. The sooner the administrators and regulators (read as governments) understand the importance of this change the better it is for the nation to maintain the competitive edge amongst the comity of nations. Myopic policies to make the vote banks happy would cost the country in a big way in spite of the economy growing at a healthy rate and inflation rate continuing its southward movement. The real capability of this nation is yet to be leveraged and for that one need to look across

the Himalayan wall to know how rival China has converted its bane of population explosion into a boon.

### **Indian entrepreneurs making the global moves**

It was only in the recent past that the Indian entrepreneurs were considered to be good workers or at the most smart managers and technocrats. This concept is gradually changing courtesy personalities like Laxmi Niwas Mittal, Ratan Tata, Kumara Mangalam Birla, Narayanamurthy, Azim Premji and many other first generation entrepreneurs who have created a niche not only for themselves but also for the Indian populace. This has changed the perception of global investors, competitors, foreign regulators towards the Indian companies and more specifically to the Indian talent. This is one competitive advantage which would take other nations a substantial time to imitate and catch up. That does not mean India as a nation and importantly the entrepreneurs and employees can heave a sigh of relief as their demand would only be felt globally if consistent effort is made to move up the value chain. Companies trying to cater to the same segments by offering more or less the same type of products or services are bound to loose their leadership to the emerging entrepreneurs of China and the fallen heroes of developed nations like US and Europe. Its time for the Indian companies to adopt GLOCAL strategies (Think Global and Act Local). It can very easily open up the floodgates for the country to tap the latent potential of this big and beautiful nation. Brands like McDonald, Kellogs have learnt the importance of adopting GLOCAL strategy after entering the Indian market. Giants like Walmart, Nokia are doing the same, then why should the Indian companies lag behind? Are all the prospective and budding entrepreneurs listening? Its time to act, its now or never, the decision is yours.

Figure  
Men Pivotal to the 5M Management in a modern day business

